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12 Elizabeth Burr, Richard D. Daniels, Alison Davis,  
13 Roger F. Dunbar, Joel P. Friedman, Jeffrey N.  
14 Maggioncalda, Beverly Kay Matthews, Mary J.  
15 Miller, Kate D. Mitchell, John F. Robinson, and  
16 Garen K. Staglin*

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**UNITED STATES DISTRICT COURT**  
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**NORTHERN DISTRICT OF CALIFORNIA**  
23  
**SAN JOSE DIVISION**

24 TIAA-CREF INVESTMENT  
25 MANAGEMENT, LLC  
26 et al.,

27 Plaintiffs,

28 v.

GREGORY W. BECKER, et al.,

Defendants.

Case No. 5:24-cv-00478-NW

**DIRECTOR DEFENDANTS' ANSWER  
TO COMPLAINT FOR VIOLATIONS  
OF THE FEDERAL SECURITIES  
LAWS (ECF NO. 1)**

1 Defendants Eric A. Benhamou, Elizabeth Burr, Richard D. Daniels, Alison Davis, Roger  
 2 F. Dunbar, Joel P. Friedman, Jeffrey N. Maggioncalda, Beverly Kay Matthews, Mary J. Miller,  
 3 Kate D. Mitchell, John F Robinson, and Garen K. Staglin (collectively, “Director Defendants”)  
 4 respectfully submit this Answer to the Complaint for Violations of the Federal Securities Laws,  
 5 filed on January 25, 2024 (ECF No. 1) (“Complaint”). The Director Defendants make this Answer  
 6 based on their current knowledge, recollection, and information, and they expressly reserve the  
 7 right to amend and/or supplement their Answer as may be necessary.

8 Except as expressly admitted herein, the Director Defendants deny each and every  
 9 allegation of fact and conclusion of law set forth in the Complaint and in every respect deny  
 10 liability, deny that they engaged in any improper conduct, and deny that Plaintiffs<sup>1</sup> are entitled to  
 11 relief. To the extent the Complaint references excerpts from documents and third-party  
 12 publications, the Director Defendants deny any characterization of such documents in the  
 13 Complaint (including bolding, italics, or paraphrasing), as the documents speak for themselves,  
 14 and further deny that any selective quotation from such documents by Plaintiffs accurately  
 15 characterizes or quotes from the documents, reflects the full contents of the documents, or that the  
 16 contents of any such documents are accurate or complete. The Director Defendants respectfully  
 17 refer the Court to the original source or document for a complete and accurate statement of the  
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19 <sup>1</sup> “Plaintiffs” refers collectively to Teachers Insurance and Annuity Association of America and its following  
 20 subsidiaries, funds, and accounts: (i) TIAA-CREF Investment Management, LLC; (ii) Teachers Advisors, LLC; (iii)  
 21 Nuveen Asset Management, LLC; (iv) Nuveen Fund Advisors, LLC; (v) CREF Equity Index Account; (vi) CREF  
 22 Stock Account; (vii) Nuveen Large-Cap Select Fund; (viii) CREF Global Equities Account; (ix) TIAA-CREF S&P  
 23 500 Index Fund; (x) TIAACREF Equity Index Fund; (xi) TIAA-CREF Growth & Income Fund; (xii) Nuveen ESG  
 24 Large-Cap Value ETF; (xiii) Nuveen ESG Mid-Cap Growth ETF; (xiv) Nuveen ESG Mid-Cap Value ETF; (xv)  
 25 TIAA-CREF Life Growth & Income Fund; (xvi) CREF Social Choice Account; (xvii) TIAA Separate Account VA-  
 26 1; (xviii) TIAA-CREF Large-Cap Growth Index Fund; (xix) TIAA-CREF Large-Cap Value Index Fund; (xx) TIAA-  
 27 CREF Social Choice Low Carbon Equity Fund; (xxi) CREF Core Bond Account; (xxii) TIAA-CREF Life Insurance  
 28 Company; (xxiii) TIAA-CREF Bond Index Fund; (xxiv) TIAA-CREF Core Plus Bond Fund; (xxv) TIAA-CREF  
 Core Impact Bond Fund; (xxvi) Nuveen Global High Income Fund; (xxvii) Nuveen Preferred & Income  
 Opportunities Fund on behalf of itself and as successor in interest to Nuveen Preferred & Income Securities Fund  
 and Nuveen Preferred and Income Fund; (xxviii) Nuveen Preferred and Income Term Fund; (xxix) Nuveen Multi-  
 Asset Income Fund on behalf of itself and as successor in interest to Nuveen TaxAdvantaged Total Return Strategy  
 Fund; (xxx) Nuveen Core Plus Impact Fund; (xxxi) Nuveen Variable Rate Preferred & Income Fund; (xxxii) Nuveen  
 Preferred Securities and Income Fund; (xxxiii) Nuveen Enhanced Yield U.S. Aggregate Bond ETF; (xxxiv) Nuveen  
 ESG U.S. Aggregate Bond ETF; (xxxv) Teachers Insurance and Annuity Association of America; (xxxvi) Nuveen  
 U.S. Core Impact Bond Fund; and (xxxvii) TIAA-CREF Life Social Choice Equity Fund.

1 contents referenced therein. To the extent the Complaint contains footnotes that do not contain any  
 2 factual information or purport to include citations supporting other allegations in the Complaint,  
 3 no response is required to those footnotes. To the extent a response is required, the Director  
 4 Defendants deny all allegations contained in the footnotes unless otherwise admitted herein.

5 In addition, no response is required to the bolded headings in the Complaint, which are  
 6 argumentative and consist of Plaintiffs' characterizations of this action. To the extent a response  
 7 is required, Defendants deny the allegations contained therein.

8 Due to their dates of service on the Board of Directors of Silicon Valley Bank ("Bank")  
 9 and the Board of Directors of SVB Financial Group ("SVBFG"), certain of the Director  
 10 Defendants lack knowledge or information sufficient to form a belief as to the truth or falsity of  
 11 allegations that pertain to events that purportedly took place during periods when they did not  
 12 serve on the Boards of the Bank or SVBFG. Specifically:

- 13 • Ms. Burr lacks knowledge or information sufficient to form a belief as to the truth or  
 14       falsity of allegations that pertain to events that purportedly took place before November  
 15       8, 2021, and therefore denies all such allegations on that basis.
- 16 • Mr. Daniels lacks knowledge or information sufficient to form a belief as to the truth or  
 17       falsity of allegations that pertain to events that purportedly took place before October 22,  
 18       2020, and therefore denies all such allegations on that basis.
- 19 • Ms. Davis lacks knowledge or information sufficient to form a belief as to the truth or  
 20       falsity of allegations that pertain to events that purportedly took place before May 11,  
 21       2020, and therefore denies all such allegations on that basis.
- 22 • Mr. Dunbar lacks knowledge or information sufficient to form a belief as to the truth or  
 23       falsity of allegations that pertain to events that purportedly took place after his retirement  
 24       from the Bank and SVBFG Boards on April 21, 2022, and therefore denies all such  
 25       allegations on that basis.

- 1     • Ms. Matthews lacks knowledge or information sufficient to form a belief as to the truth or  
2         falsity of allegations that pertain to events that purportedly took place before September  
3         10, 2019, and therefore denies all such allegations on that basis.
- 4     • Mr. Robinson lacks knowledge or information sufficient to form a belief as to the truth or  
5         falsity of allegations that pertain to events that purportedly took place after his retirement  
6         from the Bank and SVBFG Boards on April 21, 2021, and therefore denies all such  
7         allegations on that basis.

8 Accordingly, any statement by the “Director Defendants” herein regarding an allegation that pre-  
9 or post-dates the dates identified above, as relevant, is expressly modified by the preceding denials  
10 to the extent they are applicable.

11           Paragraph numbers in this Answer correspond to paragraph numbers in the Complaint and  
12 respond to the allegations in each such paragraph. Unless redefined in this Answer, capitalized  
13 terms used herein have the definitions set forth in the Complaint, but the Director Defendants do  
14 not admit that those definitions are proper. With respect to the numbered paragraphs of the  
15 Complaint, the Director Defendants respond as follows:

#### **ANSWER TO SPECIFIC ALLEGATIONS**

17           To the extent the allegations in the prefatory Paragraph found at page 1, lines 1 through 3,  
18 consist of legal conclusions, no answer is required. To the extent an answer is required, the Director  
19 Defendants lack knowledge and information sufficient to form a belief as to the truth of the  
20 allegations in the prefatory Paragraph found at page 1, lines 1 through 3, and the footnotes cited  
21 therein, and on that basis deny them.

#### **I. INTRODUCTION**

23           Header I contains Plaintiffs’ characterizations of the Complaint and contains no factual  
24 allegations for which an answer is required.

25           1.       Paragraph 1 purports to provide a general overview of the Complaint and contains  
26 no factual allegations for which an answer is required. To the extent the allegations in Paragraph  
27 1 consist of legal conclusions, no answer is required. To the extent an answer is required, the

1 Director Defendants admit the Complaint purports to assert claims under the Securities Act of  
2 1933 and the Securities and Exchange Act of 1934 and otherwise deny the remaining allegations  
3 in Paragraph 1.

4       2. The Director Defendants admit that between November 5, 2020 and March 10,  
5 1023, SVBFG, the holding company for the Bank, was a publicly listed company and its shares  
6 were traded on the Nasdaq exchange under the ticker symbol “SIVB.” The Director Defendants  
7 deny that the remaining allegations in Paragraph 2 provide a fair and accurate statement of the  
8 matters described therein and therefore deny them.

9       3. To the extent the allegations in Paragraph 3 consist of legal conclusions, no  
10 answer is required. To the extent an answer is required, the Director Defendants respectfully  
11 refer the Court to the referenced legislation and its legislative history for a complete and accurate  
12 statement of their contents and deny any inconsistent allegations in Paragraph 3. The Director  
13 Defendants deny the remaining allegations in Paragraph 3 and the footnote cited therein.

14       4. The Director Defendants deny the allegations in Paragraph 4 and the footnote  
15 cited therein.

16       5. The Director Defendants deny the allegations in Paragraph 5.

17       6. The Director Defendants deny the allegations in Paragraph 6.

18       7. The Director Defendants deny the allegations in Paragraph 7.

19       8. The Director Defendants deny the allegations in Paragraph 8.

20       9. The Director Defendants deny the allegations in Paragraph 9 and the footnote  
21 cited therein.

22       10. The Director Defendants deny the allegations in Paragraph 10.

23       11. To the extent the allegations in Paragraph 11 consist of legal conclusions, no  
24 answer is required. To the extent an answer is required, the Director Defendants admit that the  
25 California Department of Financial Protection and Innovation (“DFPI”) closed the Bank and  
26 appointed the Federal Deposit Insurance Corporation (“FDIC”) as receiver on March 10, 2023.  
27 The Director Defendants admit that SVBFG, the holding company for the Bank, filed a chapter  
28

11 bankruptcy petition on March 17, 2023. The Director Defendants deny the remaining  
2 allegations in Paragraph 11.

3       12. The Director Defendants deny that the allegations in the first sentence of  
4 Paragraph 12 provides a fair and accurate statement of the matters described therein and  
5 therefore deny them. The Director Defendants deny the remaining allegations in Paragraph 12.

6 **II. JURISDICTION AND VENUE**

7       Header II contains Plaintiffs' characterizations of the Complaint and contains no factual  
8 allegations for which an answer is required.

9       13. The allegations in Paragraph 13 consist of legal conclusions to which no answer is  
10 required.

11       14. To the extent the allegations in Paragraph 14 consist of legal conclusions, no  
12 answer is required. To the extent an answer is required, the Director Defendants admit this Court  
13 has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331, Section 22 of  
14 the Securities Act, 15 U.S.C. § 77v, and Section 27 of the Exchange Act, 15 U.S.C. § 78aa.

15       15. To the extent the allegations in Paragraph 15 consist of legal conclusions, no  
16 answer is required. To the extent an answer is required, the Director Defendants admit venue is  
17 proper in this District under Section 22 of the Securities Act, 15 U.S.C. § 77v, Section 27 of the  
18 Exchange Act, 15 U.S.C. §78aa, and 28 U.S.C. § 1391(b). The Director Defendants deny the  
19 remaining allegations in Paragraph 15.

20       16. To the extent the allegations in Paragraph 16 consist of legal conclusions, no  
21 answer is required. To the extent an answer is required, the Director Defendants deny the  
22 remaining allegations in Paragraph 16.

23 **III. PARTIES AND RELEVANT NON-PARTIES**

24       Header III contains Plaintiffs' characterizations of the Complaint and contains no factual  
25 allegations for which an answer is required.

1           **A. Plaintiffs**

2           Header III.A. contains Plaintiffs' characterizations of the Complaint and contains no factual  
3 allegations for which an answer is required.

4           17. The Director Defendants lack knowledge or information sufficient to form a belief  
5 as to the truth or falsity of the allegations in Paragraph 17, and on that basis deny them.

6           18. The Director Defendants lack knowledge or information sufficient to form a belief  
7 as to the truth or falsity of the allegations in Paragraph 18, and on that basis deny them.

8           19. The Director Defendants lack knowledge or information sufficient to form a belief  
9 as to the truth or falsity of the allegations in Paragraph 19, and on that basis deny them.

10          20. To the extent the allegations in Paragraph 20 consist of legal conclusions, no  
11 answer is required. To the extent an answer is required, the Director Defendants lack knowledge  
12 or information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph  
13 20, and on that basis deny them.

14          21. To the extent the allegations in Paragraph 21 consist of legal conclusions, no  
15 answer is required. To the extent an answer is required, the Director Defendants lack knowledge  
16 or information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph  
17 21, and on that basis deny them.

18          22. To the extent the allegations in Paragraph 22 consist of legal conclusions, no  
19 answer is required. To the extent an answer is required, the Director Defendants lack knowledge  
20 or information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph  
21 22, and on that basis deny them.

22          23. To the extent the allegations in Paragraph 23 consist of legal conclusions, no  
23 answer is required. To the extent an answer is required, the Director Defendants lack knowledge  
24 or information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph  
25 23, and on that basis deny them.

26          24. To the extent the allegations in Paragraph 24 consist of legal conclusions, no  
27 answer is required. To the extent an answer is required, the Director Defendants lack knowledge  
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1 or information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph  
2 24, and on that basis deny them.

3 25. To the extent the allegations in Paragraph 25 consist of legal conclusions, no  
4 answer is required. To the extent an answer is required, the Director Defendants lack knowledge  
5 or information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph  
6 25, and on that basis deny them.

7 26. To the extent the allegations in Paragraph 26 consist of legal conclusions, no  
8 answer is required. To the extent an answer is required, the Director Defendants lack knowledge  
9 or information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph  
10 26, and on that basis deny them.

11 27. To the extent the allegations in Paragraph 27 consist of legal conclusions, no  
12 answer is required. To the extent an answer is required, the Director Defendants lack knowledge  
13 or information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph  
14 27, and on that basis deny them.

15 28. To the extent the allegations in Paragraph 28 consist of legal conclusions, no  
16 answer is required. To the extent an answer is required, the Director Defendants lack knowledge  
17 or information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph  
18 28, and on that basis deny them.

19 29. Paragraph 29 contains Plaintiffs' characterizations of the Complaint and contains  
20 no factual allegations for which an answer is required.

21 30. Paragraph 30 contains Plaintiffs' characterizations of the Complaint and contains  
22 no factual allegations for which an answer is required.

23 31. The Director Defendants deny the allegations in Paragraph 31.

24 **B. Defendants**

25 Header III.B. contains Plaintiffs' characterizations of the Complaint and contains no factual  
26 allegations for which an answer is required.

1       32. The Director Defendants admit that Mr. Becker was first employed by SVBFG  
2 and the Bank in 1993. The Director Defendants admit that Mr. Becker served as a director of  
3 SVBFG from April 21, 2011 to April 19, 2023. The Director Defendants admit that Mr. Becker  
4 served as a director of the Bank from April 21, 2011 until the Bank was taken into receivership  
5 on March 10, 2023. The Director Defendants admit that Mr. Becker signed the November 15,  
6 2019 Registration Statement, which speaks for itself. The Director Defendants respectfully refer  
7 the Court to SVBFG's SEC filings referenced in Paragraph 32 for a complete and accurate  
8 description of their contents and deny any inconsistent allegations in Paragraph 32. The Director  
9 Defendants respectfully refer the Court to Mr. Becker's Forms 4 filed between November 5,  
10 2020, and March 10, 2023, for a complete and accurate description of their contents and deny  
11 any inconsistent allegations in the sixth sentence of Paragraph 32. The Director Defendants deny  
12 the remaining allegations in Paragraph 32.

13       33. The Director Defendants admit that Mr. Beck served as Chief Financial Officer of  
14 SVBFG from June 5, 2017 to April 18, 2023. The Director Defendants admit that Mr. Beck  
15 served as Chief Financial Officer of the Bank from 2017 until the Bank was taken into  
16 receivership on March 10, 2023. The Director Defendants admit that Mr. Beck signed the  
17 November 15, 2019 Registration Statement, which speaks for itself. The Director Defendants  
18 respectfully refer the Court to SVBFG's SEC filings referenced in Paragraph 33 for a complete  
19 and accurate description of their contents and deny any inconsistent allegations in Paragraph 33.  
20 The Director Defendants respectfully refer the Court to Mr. Beck's Forms 4 filed between  
21 November 5, 2020 and March 10, 2023, for a complete and accurate description of their contents  
22 and deny any inconsistent allegations in the fifth sentence of Paragraph 33. The Director  
23 Defendants deny the remaining allegations in Paragraph 33.

24       34. Paragraph 34 contains Plaintiffs' characterizations of the Complaint and contains  
25 no factual allegations for which an answer is required.

1       35.     The allegations in Paragraph 35 are directed at parties other than the Director  
 2 Defendants, and no answer is required. To the extent an answer is required, the Director  
 3 Defendant deny the allegations in Paragraph 35.

4       36.     The Director Defendants admit that Ms. Hon served as SVBFG's Chief  
 5 Accounting Officer between November 5, 2020 and March 10, 2023. The Director Defendants  
 6 admit that Ms. Hon signed the November 15, 2019 Registration Statement, which speaks for  
 7 itself. The Director Defendants respectfully refer the Court to SVBFG's SEC filings referenced  
 8 in Paragraph 36 for a complete and accurate description of their contents and deny any  
 9 inconsistent allegations in Paragraph 36. The Director Defendants deny the remaining  
 10 allegations in Paragraph 36.

11       37.     The Director Defendants admit that Mr. Dunbar served on the board of directors  
 12 of SVBFG and the Bank from 2004 to April 21, 2022. The Director Defendants admit that Mr.  
 13 Dunbar served as Chairman of the board of directors of SVBFG and the Bank from April 26,  
 14 2012 to April 21, 2022. The Director Defendants admit that Mr. Dunbar signed a Power of  
 15 Attorney dated November 15, 2019 through which he appointed Mr. Becker and Mr. Beck as his  
 16 attorneys-in-fact to sign the November 15, 2019 Registration Statement. The Director  
 17 Defendants respectfully refer the Court to SVBFG's SEC filings referenced in Paragraph 37 for a  
 18 complete and accurate description of their contents and deny any inconsistent allegations in  
 19 Paragraph 37. The Director Defendants deny the remaining allegations in Paragraph 37.

20       38.     The Director Defendants admit that Ms. Matthews served on the board of  
 21 directors of SVBFG from September 10, 2019 to November 7, 2024, and was its chair from April  
 22 21, 2022 to November 7, 2024. The Director Defendants admit that Ms. Matthews served on the  
 23 board of directors of the Bank from September 10, 2019 until the Bank was taken into  
 24 receivership on March 10, 2023, and was its chair from April 21, 2022 to March 10, 2023. The  
 25 Director Defendants admit that Ms. Matthews signed a Power of Attorney dated November 15,  
 26 2019 through which she appointed Mr. Becker and Mr. Beck as her attorneys-in-fact to sign the  
 27 November 15, 2019 Registration Statement. The Director Defendants respectfully refer the  
 28

1 Court to SVBFG's SEC filings referenced in Paragraph 38 for a complete and accurate  
2 description of their contents and deny any inconsistent allegations in Paragraph 38. The Director  
3 Defendants deny the remaining allegations in Paragraph 38.

4       39. The Director Defendants admit that Mr. Benhamou served on the board of  
5 directors of SVBFG from 2005 to November 7, 2024. The Director Defendants admit that Mr.  
6 Benhamou served on the board of directors of the Bank from 2005 until the Bank was taken into  
7 receivership on March 10, 2023. The Director Defendants admit that Mr. Benhamou signed a  
8 Power of Attorney dated November 15, 2019 through which he appointed Mr. Becker and Mr.  
9 Beck as his attorneys-in-fact to sign the November 15, 2019 Registration Statement. The  
10 Director Defendants respectfully refer the Court to SVBFG's SEC filings referenced in  
11 Paragraph 39 for a complete and accurate description of their contents and deny any inconsistent  
12 allegations in Paragraph 39. The Director Defendants deny the remaining allegations in  
13 Paragraph 39.

14       40. The Director Defendants admit that Ms. Burr served on the board of directors of  
15 SVBFG from November 8, 2021 to November 7, 2024. The Director Defendants admit that Ms.  
16 Burr served on the board of directors of the Bank from November 8, 2021 until the Bank was  
17 taken into receivership on March 10, 2023. The Director Defendants respectfully refer the Court  
18 to SVBFG's SEC filings referenced in Paragraph 40 for a complete and accurate description of  
19 their contents and deny any inconsistent allegations in Paragraph 40. The Director Defendants  
20 deny the remaining allegations in Paragraph 40.

21       41. The Director Defendants admit that Mr. Clendening served on the board of  
22 directors of SVBFG and the Bank from August 3, 2017 to April 21, 2022. The Director  
23 Defendants admit that Mr. Clendening signed a Power of Attorney dated November 15, 2019  
24 through which he appointed Mr. Becker and Mr. Beck as his attorneys-in-fact to sign the  
25 November 15, 2019 Registration Statement. The Director Defendants respectfully refer the  
26 Court to SVBFG's SEC filings referenced in Paragraph 41 for a complete and accurate

1 description of their contents and deny any inconsistent allegations in Paragraph 41. The Director  
 2 Defendants deny the remaining allegations in Paragraph 41.

3       42. The Director Defendants admit that Mr. Daniels served on the board of directors  
 4 of SVBFG from October 22, 2020 to November 7, 2024. The Director Defendants admit that  
 5 Mr. Daniels served on the board of directors of the Bank from October 22, 2020 until the Bank  
 6 was taken into receivership on March 10, 2023. The Director Defendants respectfully refer the  
 7 Court to SVBFG's SEC filings referenced in Paragraph 42 for a complete and accurate  
 8 description of their contents and deny any inconsistent allegations in Paragraph 42. The Director  
 9 Defendants deny the remaining allegations in Paragraph 42.

10      43. The Director Defendants admit that Ms. Davis served on the board of directors of  
 11 SVBFG from May 11, 2020 to November 7, 2024. The Director Defendants admit that Ms.  
 12 Davis served on the board of directors of the Bank from May 11, 2020 until the Bank was taken  
 13 into receivership on March 10, 2023. The Director Defendants respectfully refer the Court to  
 14 SVBFG's SEC filings referenced in Paragraph 43 for a complete and accurate description of their  
 15 contents and deny any inconsistent allegations in Paragraph 43. The Director Defendants deny  
 16 the remaining allegations in Paragraph 43.

17      44. The Director Defendants admit that Mr. Friedman served on the board of directors  
 18 of SVBFG from 2004 to November 7, 2024 and that Mr. Friedman served on the board of  
 19 directors of the Bank from 2004 until the Bank was taken into receivership on March 10, 2023.  
 20 The Director Defendants admit that Mr. Friedman signed a Power of Attorney dated November  
 21 15, 2019 through which he appointed Mr. Becker and Mr. Beck as his attorneys-in-fact to sign  
 22 the November 15, 2019 Registration Statement. The Director Defendants respectfully refer the  
 23 Court to SVBFG's SEC filings referenced in Paragraph 44 for a complete and accurate  
 24 description of their contents and deny any inconsistent allegations in Paragraph 44. The Director  
 25 Defendants deny the remaining allegations in Paragraph 44.

26      45. The Director Defendants admit that Mr. Maggioncalda served on the board of  
 27 directors of SVBFG from 2011 to November 7, 2024. The Director Defendants admit that Mr.  
 28

1 Maggioncalda served on the board of directors of the Bank from 2011 until the Bank was taken  
 2 into receivership on March 10, 2023. The Director Defendants admit that Mr. Maggioncalda  
 3 signed a Power of Attorney dated November 15, 2019 through which he appointed Mr. Becker  
 4 and Mr. Beck as his attorneys-in-fact to sign the November 15, 2019 Registration Statement.  
 5 The Director Defendants respectfully refer the Court to SVBFG's SEC filings referenced in  
 6 Paragraph 45 for a complete and accurate description of their contents and deny any inconsistent  
 7 allegations in Paragraph 45. The Director Defendants deny the remaining allegations in  
 8 Paragraph 45.

9       46.      The Director Defendants admit that Ms. Miller served on the board of directors of  
 10 SVBFG from May 2015 to November 7, 2024. The Director Defendants admit that Ms. Miller  
 11 served on the board of directors of the Bank from May 2015 until the Bank was taken into  
 12 receivership on March 10, 2023. The Director Defendants admit that Ms. Miller signed a Power  
 13 of Attorney dated November 15, 2019 through which she appointed Mr. Becker and Mr. Beck as  
 14 her attorneys-in-fact to sign the November 15, 2019 Registration Statement. The Director  
 15 Defendants respectfully refer the Court to SVBFG's SEC filings referenced in Paragraph 46 for a  
 16 complete and accurate description of their contents and deny any inconsistent allegations in  
 17 Paragraph 46. The Director Defendants deny the remaining allegations in Paragraph 46.

18       47.      The Director Defendants admit that Ms. Mitchell served on the board of directors  
 19 of SVBFG from 2010 to November 7, 2024. The Director Defendants admit that Ms. Mitchell  
 20 served on the board of directors of the Bank from 2010 until the Bank was taken into  
 21 receivership on March 10, 2023. The Director Defendants admit that Ms. Mitchell signed a  
 22 Power of Attorney dated November 15, 2019 through which she appointed Mr. Becker and Mr.  
 23 Beck as her attorneys-in-fact to sign the November 15, 2019 Registration Statement. The  
 24 Director Defendants admit that Ms. Mitchell signed a Power of Attorney dated November 15,  
 25 2019 through which she appointed Mr. Becker and Mr. Beck as her attorneys-in-fact to sign the  
 26 November 15, 2019 Registration Statement. The Director Defendants respectfully refer the  
 27 Court to SVBFG's SEC filings referenced in Paragraph 47 for a complete and accurate

1 description of their contents and deny any inconsistent allegations in Paragraph 47. The Director  
 2 Defendants deny the remaining allegations in Paragraph 47.

3       48. The Director Defendants admit that Mr. Robinson served on the board of directors  
 4 of SVBFG and the Bank from July 2010 to April 21, 2021. The Director Defendants admit that  
 5 Mr. Robinson signed a Power of Attorney dated November 15, 2019 through which he appointed  
 6 Mr. Becker and Mr. Beck as his attorneys-in-fact to sign the November 15, 2019 Registration  
 7 Statement. The Director Defendants respectfully refer the Court to SVBFG's SEC filings  
 8 referenced in Paragraph 48 for a complete and accurate description of their contents and deny  
 9 any inconsistent allegations in Paragraph 48. The Director Defendants deny the remaining  
 10 allegations in Paragraph 48.

11       49. The Director Defendants admit that Mr. Staglin served on the board of directors of  
 12 SVBFG from 2012 to November 7, 2024. The Director Defendants admit that Mr. Staglin served  
 13 on the board of directors of the Bank from 2012 until the Bank was taken into receivership on  
 14 March 10, 2023. The Director Defendants admit that Mr. Staglin signed a Power of Attorney  
 15 dated November 15, 2019 through which he appointed Mr. Becker and Mr. Beck as his attorneys-  
 16 in-fact to sign the November 15, 2019 Registration Statement. The Director Defendants  
 17 respectfully refer the Court to SVBFG's SEC filings referenced in Paragraph 49 for a complete  
 18 and accurate description of their contents and deny any inconsistent allegations in Paragraph 49.  
 19 The Director Defendants deny the remaining allegations in Paragraph 49.

20       50. Paragraph 50 contains Plaintiffs' characterizations of the Complaint and contains  
 21 no factual allegations for which an answer is required.

22       51. Paragraph 51 contains Plaintiffs' characterizations of the Complaint and contains  
 23 no factual allegations for which an answer is required.

24       52. The Director Defendants respectfully refer the Court to the offering documents for  
 25 the January 2021 Offerings, May 2021 Offerings, October 2021 Offerings, and April 2022  
 26 Offering for a description of BofA's role and deny any inconsistent allegations in Paragraph 52.

1       53. The Director Defendants respectfully refer the Court to the offering documents for  
 2 the January 2021 Offerings, May 2021 Offerings, and April 2022 Offering for a description of  
 3 Goldman Sachs' role and deny any inconsistent allegations in Paragraph 53.

4       54. Paragraph 54 contains Plaintiffs' characterizations of the Complaint and contains  
 5 no factual allegations for which an answer is required.

6       55. Paragraph 55 contains Plaintiffs' characterizations of the Complaint and contains  
 7 no factual allegations for which an answer is required.

8           **C. Relevant Non-Parties**

9       Header III.C. contains Plaintiffs' characterizations of the Complaint and contains no factual  
 10 allegations for which an answer is required.

11       56. The Director Defendants admit that SVBFG was incorporated in the state of  
 12 Delaware in March 1999. The Director Defendants admit that between November 5, 2020 and  
 13 March 10, 2023, SVBFG was a bank holding company with a principal place of business in  
 14 Santa Clara, CA. The Director Defendants admit that SVBFG filed a chapter 11 bankruptcy  
 15 petition on March 17, 2023. The Director Defendants deny the remaining allegations in  
 16 Paragraph 56.

17       57. The Director Defendants admit that the Bank was founded in 1983. The Director  
 18 Defendants admit that between November 5, 2020 and March 10, 2023 the Bank was a  
 19 subsidiary of SVBFG. The Director Defendants deny the remaining allegations in Paragraph 57.

20       58. The Director Defendants respectfully refer the Court to the referenced offering  
 21 documents, which speak for themselves, and deny any inconsistent allegations in Paragraph 58.  
 22 The Director Defendants deny the remaining allegations in Paragraph 58.

23       59. Paragraph 59 contains Plaintiffs' characterizations of the Complaint and contains  
 24 no factual allegations for which an answer is required.

25           **IV. SUMMARY OF THE OFFICER DEFENDANTS' SCHEME AND WRONGFUL  
 26 COURSE OF BUSINESS**

27       The Director Defendants deny the allegations in Header IV.

1           **A.     SVB's Efforts to Avoid Regulations that Would Have Prevented SVB's**  
2           **Collapse**

3           The Director Defendants deny the allegations in Header IV.A.

4       60.      The Director Defendants deny that the allegations in Paragraph 60 provide a fair  
5 and accurate statement of the matters described therein and therefore deny them.

6       61.      To the extent the allegations in Paragraph 61 consist of legal conclusions, no  
7 answer is required. To the extent an answer is required, the Director Defendants respectfully  
8 refer the Court to the referenced legislation and its legislative history for a complete and accurate  
9 statement of their contents and deny any inconsistent allegations in Paragraph 61. The Director  
10 Defendants deny the remaining allegations in Paragraph 61.

11      62.      To the extent the allegations in Paragraph 62 consist of legal conclusions, no  
12 answer is required. To the extent an answer is required, the Director Defendants respectfully  
13 refer the Court to the referenced legislation and its legislative history for a complete and accurate  
14 statement of their contents and deny any inconsistent allegations in Paragraph 62. The Director  
15 Defendants deny the remaining allegations in Paragraph 62.

16      63.      To the extent the allegations in Paragraph 63 consist of legal conclusions, no  
17 answer is required. To the extent an answer is required, the Director Defendants respectfully  
18 refer the Court to the referenced legislation and its legislative history and the referenced  
19 supervisory guidance for a complete and accurate statement of their contents and deny any  
20 inconsistent allegations in Paragraph 63. The Director Defendants deny the remaining  
21 allegations in Paragraph 63.

22      64.      To the extent the allegations in Paragraph 64 consist of legal conclusions, no  
23 answer is required. To the extent an answer is required, the Director Defendants respectfully  
24 refer the Court to the referenced supervisory guidance for a complete and accurate statement of  
25 its contents and deny any inconsistent allegations in Paragraph 64. The Director Defendants  
26 deny the remaining allegations in Paragraph 64.

1       65. To the extent the allegations in Paragraph 65 consist of legal conclusions, no  
 2 answer is required. To the extent an answer is required, the Director Defendants respectfully  
 3 refer the Court to the referenced supervisory guidance for a complete and accurate statement of  
 4 its contents and deny any inconsistent allegations in Paragraph 65. The Director Defendants  
 5 deny the remaining allegations in Paragraph 65.

6       66. To the extent the allegations in Paragraph 66 consist of legal conclusions, no  
 7 answer is required. To the extent an answer is required, the Director Defendants respectfully  
 8 refer the Court to the referenced supervisory guidance for a complete and accurate statement of  
 9 its contents and deny any inconsistent allegations in Paragraph 66. The Director Defendants  
 10 deny the remaining allegations in Paragraph 66.

11       67. To the extent the allegations in Paragraph 67 consist of legal conclusions, no  
 12 answer is required. To the extent an answer is required, the Director Defendants respectfully  
 13 refer the Court to the referenced supervisory guidance for a complete and accurate statement of  
 14 its contents and deny any inconsistent allegations in Paragraph 67. The Director Defendants  
 15 deny the remaining allegations in Paragraph 67.

16       **B. The Officer Defendants Conceal Their Failure to Implement Appropriate  
 17           Governance and Risk Management Frameworks**

18       The Director Defendants deny the allegations in Header IV.B.

19       68. To the extent the allegations in Paragraph 68 consist of legal conclusions, no  
 20 answer is required. To the extent an answer is required, the Director Defendants respectfully  
 21 refer the Court to SVBFG's SEC filings for the years 2018 to 2021 for a description of SVBFG's  
 22 total assets as of the time of those filings and deny any inconsistent allegations in Paragraph 68.  
 23 The Director Defendants deny the remaining allegations in Paragraph 68.

24       69. The Director Defendants admit that the Office of the Comptroller of the Currency  
 25 publication entitled "Examination Process: Problem Bank Supervision Version 1.0" contains the  
 26 quoted language in Paragraph 69, but deny any characterizations of the document, which speaks

1 for itself. The Director Defendants deny the remaining allegations in Paragraph 69 and the  
2 footnote cited therein.

3       70. The Director Defendants deny that the allegations in Paragraph 70 provide a fair  
4 and accurate statement of the matters described therein and therefore deny them.

5       71. The Director Defendants deny the allegations in Paragraph 71.

6       72. The Director Defendants deny the allegations in Paragraph 72 and the footnote  
7 cited therein.

8       73. The Director Defendants deny the allegations in Paragraph 73.

9       74. The Director Defendants admit that the April 22, 2021 Q1 2021 and July 22, 2021  
10 Q2 2021 earnings call transcripts contain the quoted language in the second sentence of  
11 Paragraph 74, but deny any characterizations of the documents, which speak for themselves. The  
12 Director Defendants deny the remaining allegations in Paragraph 74.

13       75. The Director Defendants respectfully refer the Court to SVBFG's SEC filings  
14 referenced in Paragraph 75 for a complete and accurate description of their contents and deny  
15 any inconsistent allegations in Paragraph 75. The Director Defendants deny the remaining  
16 allegations in Paragraph 75.

17       76. The Director Defendants deny the allegations in Paragraph 76.

18       77. The Director Defendants deny the allegations in Paragraph 77.

19       78. Mr. Benhamou, Mr. Daniels, Ms. Davis, Mr. Dunbar, Mr. Friedman, Mr.  
20 Maggioncalda, Ms. Matthews, Ms. Miller, Ms. Mitchell, and Mr. Staglin admit that as of June  
21 30, 2021, SVBFG passed the threshold of \$100 billion in average total consolidated assets and  
22 was considered an LFI under the "Large Financial Institution (LFI) Rating System" of the Board  
23 of Governors of the Federal Reserve System set out in Supervisory Release 19-3 dated February  
24 26, 2019. Ms. Burr, who did not join SVBFG's board of directors until November 2021, lacks  
25 knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in  
26 Paragraph 78, and on that basis denies them. Mr. Robinson, who retired from SVBFG's Board of  
27 Directors in April 2021, lacks knowledge or information sufficient to form a belief as to the truth

1 or falsity of the allegations in Paragraph 78, and on that basis denies them. The Director  
 2 Defendants respectfully refer the Court to SVBFG's SEC filings for a description of SVBFG's  
 3 total assets and the nature of its supervision by the Federal Reserve Board of Governors and deny  
 4 any inconsistent allegations in Paragraph 78. The Director Defendants deny the remaining  
 5 allegations in Paragraph 78.

6       79.     The Director Defendants deny the allegations in Paragraph 79.

7       80.     The Director Defendants deny that the allegations in second through ninth  
 8 sentences of Paragraph 80 provide a fair and accurate statement of the matters described therein  
 9 and therefore deny them. The Director Defendants deny the remaining allegations in Paragraph  
 10 80.

11       81.     The Director Defendants deny the allegations in Paragraph 81. To the extent the  
 12 allegations in Footnote 8 to Paragraph 81 consist of Plaintiffs' characterization of 17 C.F.R.  
 13 § 252.33(b)(1), this legal provision speaks for itself and no answer is required.

14       82.     The Director Defendants deny the allegations in Paragraph 82.

15       83.     The Director Defendants deny the allegations in Paragraph 83 and the footnotes  
 16 cited therein.

17       84.     The Director Defendants deny the allegations in Paragraph 84.

18       85.     The Director Defendants admit that the August 17, 2022 Supervisory Ratings  
 19 Letter from the Federal Reserve Bank of San Francisco is addressed to "Board of Directors,  
 20 Silicon Valley Bank/Silicon Valley Bank Financial Group," and contains the quoted language in  
 21 Paragraph 85, but deny any characterizations of the document, which speaks for itself. The  
 22 Director Defendants deny the remaining allegations in Paragraph 85.

23       86.     The Director Defendants admit that the SVB and SVB Governance and Risk  
 24 Management Target Supervisory Letter dated May 21, 2022, contains the quoted language in  
 25 Paragraph 86, but deny any characterizations of the document, which speaks for itself. The  
 26 Director Defendants deny the remaining allegations in Paragraph 86 and the footnote cited  
 27 therein.

1       87. The Director Defendants deny the allegations in Paragraph 87.

2       **C. The Officer Defendants Bet the Bank on Long-Duration Held-to-Maturity  
3           Securities in Order to Fuel SVB's Short-Term Profits and Their Own  
4           Compensation While Concealing Substantial Interest Rate Risk Management  
5           Deficiencies**

6       The Director Defendants deny the allegations in Header IV.C.

7       88. The Director Defendants deny that the allegations in Paragraph 88 provide a fair  
8           and accurate statement of the matters described therein and therefore deny them.

9       89. The Director Defendants deny that the allegations in Paragraph 89 and the  
10          footnote cited therein provide a fair and accurate statement of the matters described therein and  
11          therefore deny them.

12       90. The Director Defendants deny that the allegations in the first, second, and third  
13          sentences of Paragraph 90 provide a fair and accurate statement of the matters described therein  
14          and therefore deny them. The Director Defendants respectfully refer the Court to SVBFG's SEC  
15          filings for the years 2019 to 2022 for a description of SVBFG's loan-to-deposit ratio as of the  
16          time of those filings and deny any inconsistent allegations in Paragraph 90. The Director  
17          Defendants deny the remaining allegations in Paragraph 90 and the footnote cited therein.

18       91. The Director Defendants deny that the allegations in Paragraph 91 and the  
19          footnote cited therein provide a fair and accurate statement of the matters described therein and  
20          therefore deny them.

21       92. The Director Defendants respectfully refer the Court to the referenced accounting  
22          standards for a complete and accurate statement of their contents and deny any inconsistent  
23          allegations in Paragraph 92 and the footnote cited therein. The Director Defendants respectfully  
24          refer the Court to SVBFG's SEC filings for a description of its debt securities portfolios and  
25          deny any inconsistent allegations in Paragraph 92 and the footnote cited therein. The Director  
26          Defendants deny the remaining allegations and the footnote cited therein.

1       93. To the extent the allegations in Paragraph 93 consist of Plaintiffs' characterization  
2 of ASC 320, this accounting standard speaks for itself and no answer is required. The Director  
3 Defendants deny the remaining allegations in Paragraph 93 and the footnote cited therein.

4       94. To the extent the allegations in Paragraph 94 consist of Plaintiffs' characterization  
5 of ASC 320, this accounting standard speaks for itself and no answer is required. The Director  
6 Defendants deny the remaining allegations in Paragraph 94.

7       95. The Director Defendants respectfully refer the Court to SVBFG's SEC filings for  
8 the years 2018 to 2021 for a description of SVBFG's investments and total assets of the time of  
9 those filings and deny any inconsistent allegations in Paragraph 95. The Director Defendants  
10 deny the remaining allegations in Paragraph 95 and the footnote cited therein.

11       96. The Director Defendants admit that the SVB 2018 CAMELS Examination  
12 Report, dated March 6, 2019, contains the quoted language in Paragraph 96, but deny any  
13 characterizations of the document, which speaks for itself. The Director Defendants respectfully  
14 refer the Court to SVBFG's SEC filings for the years 2018 and 2019 for a description of  
15 SVBFG's investments and total assets of the time of those filings and deny any inconsistent  
16 allegations in Paragraph 96. The Director Defendants deny the remaining allegations in  
17 Paragraph 96.

18       97. The Director Defendants admit that the Q1 2021 earnings call transcript contains  
19 the quoted language in Paragraph 97, but deny any characterizations of the document, which  
20 speaks for itself. The Director Defendants respectfully refer the Court to SVBFG's Q1 2021 and  
21 Q2 2021 earnings releases and conference call transcripts, which speak for themselves, and deny  
22 any inconsistent allegations in Paragraph 97. The Director Defendants deny the remaining  
23 allegations in Paragraph 97.

24       98. The Director Defendants admit that the April 22, 2021 Evercore ISI analyst report  
25 contains the quoted language in the first quotation in the third sentence of Paragraph 98, but deny  
26 any characterizations of the document, which speaks for itself. The Director Defendants admit  
27 that the April 23, 2021 Stephens analyst report contains the quoted language in the second

1 quotation in the third sentence of Paragraph 98, but deny any characterizations of the document,  
 2 which speaks for itself. The Director Defendants admit that the April 23, 2021 J.P. Morgan  
 3 analyst report contains the quoted language in the first quotation of the fourth sentence in  
 4 Paragraph 98, but deny any characterizations of the document, which speaks for itself. The  
 5 Director Defendants admit that the April 23, 2021 BofA Global Research analyst report contains  
 6 the quoted language in the second quotation in the fourth sentence of Paragraph 98, but deny any  
 7 characterizations of the document, which speaks for itself. The Director Defendants deny the  
 8 remaining allegations in Paragraph 98.

9       99. To the extent the allegations in Paragraph 99 consist of legal conclusions, no  
 10 answer is required. To the extent an answer is required, the Director Defendants deny the  
 11 remaining allegations in Paragraph 99.

12       100. The Director Defendants respectfully refer the Court to SVBFG's SEC filings for  
 13 the years 2017 to 2021 for a description of SVBFG's investments and earnings as of the time of  
 14 those filings and deny any inconsistent allegations in Paragraph 100. The Director Defendants  
 15 respectfully refer the Court to publicly reported market services for a description of the historical  
 16 trading prices for SVBFG's securities and deny any inconsistent allegations in the third sentence  
 17 of Paragraph 100. The Director Defendants deny the remaining allegations in Paragraph 100.

18       101. The Director Defendants deny the allegations in Paragraph 101.

19       102. The Director Defendants deny that the allegations in the first and second  
 20 sentences in Paragraph 102 provide a fair and accurate statement of the matters described therein  
 21 and therefore deny them. The Director Defendants respectfully refer the Court to SVBFG's SEC  
 22 filings for the years 2020 to 2023 for a description of its debt securities portfolios and deny any  
 23 inconsistent allegations in Paragraph 102. The Director Defendants deny the remaining  
 24 allegations in Paragraph 102 and the footnote cited therein.

25       103. The Director Defendants deny the allegations in Paragraph 103.

26       104. The Director Defendants deny the allegations in Paragraph 104.

1       105. The Director Defendants deny that the allegations in Paragraph 105 provide a fair  
2 and accurate statement of the matters described therein and therefore deny them.

3       106. The Director Defendants respectfully refer the Court to SVBFG's SEC filings for  
4 2022 for a description of its liquidity and investment portfolios and deny any inconsistent  
5 allegations in Paragraph 106. The Director Defendants deny the remaining allegations in  
6 Paragraph 106.

7       107. The Director Defendants deny that the allegations in Paragraph 107 and the  
8 footnote cited therein provide a fair and accurate statement of the matters described therein and  
9 therefore deny them.

10      108. The Director Defendants admit that SVBFG filed an Annual Report on Form 10-  
11 K with the SEC on March 1, 2022, that contains the quoted language in Paragraph 108, but deny  
12 any characterizations of the filing, which speaks for itself. The Director Defendants deny the  
13 remaining allegations in Paragraph 108.

14      109. The Director Defendants deny the allegations in Paragraph 109.

15      110. The Director Defendants deny the allegations in Paragraph 110.

16      111. The Director Defendants deny the allegations in Paragraph 111 and the footnotes  
17 cited therein.

18      112. The Director Defendants deny the allegations in Paragraph 112 and the footnote  
19 cited therein.

20      113. The Director Defendants admit that SVBFG filed a Quarterly Report on Form 10-  
21 Q with the SEC on May 6, 2022, that contains the excerpted table in the fifth sentence of  
22 Paragraph 113, but deny any characterizations of the filing, which speaks for itself. The Director  
23 Defendants deny the remaining allegations in Paragraph 113 and the footnote cited therein.

24      114. The Director Defendants admit that SVBFG filed a Quarterly Report with the  
25 SEC on August 8, 2022, that contains the excerpted table in Paragraph 114, but deny any  
26 characterizations of the filing, which speaks for itself. The Director Defendants deny the  
27 remaining allegations in Paragraph 114.

1           115. The Director Defendants deny the allegations in Paragraph 115.

2           116. The Director Defendants deny the allegations in Paragraph 116 and the footnote  
3 cited therein.

4           117. The Director Defendants deny the allegations in Paragraph 117.

5           **D. The Officer Defendants Manipulate Additional Modeling Assumptions to  
6 Conceal SVB's Rapidly Deteriorating Liquidity**

7           The Director Defendants deny the allegations in Header IV.D.

8           118. The Director Defendants admit that the Federal Reserve Bank of San Francisco's  
9 October 24, 2008 article entitled, "What Is Liquidity Risk?" contains the quoted language in the  
10 second sentence of Paragraph 118, but deny any characterizations of the document, which speaks  
11 for itself. The Director Defendants admit that the April 2023 article published by KPMG entitled  
12 "Liquidity & Funding Risks: Turbulent Times" contains the quoted language in the third  
13 sentence of Paragraph 118, but deny any characterizations of the document, which speaks for  
14 itself. The Director Defendants deny the remaining allegations in Paragraph 118 and the  
15 footnotes cited therein.

16           119. The Director Defendants deny that the allegations in Paragraph 119 provide a fair  
17 and accurate statement of the matters described therein and therefore deny them.

18           120. The Director Defendants deny the allegations in Paragraph 120 and the footnote  
19 cited therein.

20           121. Mr. Benhamou, Mr. Daniels, Ms. Davis, Mr. Dunbar, Mr. Friedman, Mr.  
21 Maggioncalda, Ms. Matthews, Ms. Miller, Ms. Mitchell, and Mr. Staglin admit that as of June  
22 30, 2021, SVBFG passed the threshold of \$100 billion in average total consolidated assets and  
23 was considered an LFI under the "Large Financial Institution (LFI) Rating System" of the Board  
24 of Governors of the Federal Reserve System set out in Supervisory Release 19-3 dated February  
25 26, 2019. Ms. Burr, who did not join SVBFG's board of directors until November 2021, lacks  
26 knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in  
27 the first sentence of Paragraph 121, and on that basis denies them. Mr. Robinson, who retired  
28

from SVBFG's board of directors in April 2021, lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph 121, and on that basis denies them. The Director Defendants respectfully refer the Court to the referenced supervisory guidance dated November 2, 2021, for a complete and accurate statement of its contents and deny any inconsistent allegations in Paragraph 121. The Director Defendants deny the remaining allegations in Paragraph 121 and the footnote cited therein.

122. The Director Defendants deny the allegations in Paragraph 122.

123. The Director Defendants deny the remaining allegations in Paragraph 123.

124. The Director Defendants deny the allegations in Paragraph 124.

125. The Director Defendants respectfully refer the Court to SVBFG's Quarterly Reports filed on Form 10-Q with the SEC on August 8, 2022 and November 7, 2022, respectively, for a description of SVBFG's liquidity and deny any inconsistent allegations in Paragraph 125. The Director Defendants deny the remaining allegations in Paragraph 125.

126. The Director Defendants deny the allegations in Paragraph 126.

127. The Director Defendants deny the allegations in Paragraph 127 and the footnote cited herein.

**E. The Officer Defendants Caused SVB to Misclassify Tens of Billions of Dollars in Investment Securities as Held-to-Maturity in Violation of Generally Accepted Accounting Principles**

The Director Defendants deny the allegations in Header IV.E.

128. The Director Defendants admit that SVBFG classified its investment securities as “held-to-maturity” or “available for sale,” that these classifications were reported in SVBFG’s financial statements that it filed with the SEC. The Director Defendants respectfully refer the Court to the referenced SEC filings for a description of the relevant securities holdings and classifications at the referenced times, and deny any inconsistent allegations in Paragraph 128.

The Director Defendants deny the remaining allegations in Paragraph 128.

129. The Director Defendants deny the allegations in Paragraph 129.

1       130. To the extent the allegations in Paragraph 130 consist of Plaintiffs'  
2 characterization of GAAP, this accounting standard speaks for itself and no answer is required.  
3 To the extent the allegations in Paragraph 130 consist of Plaintiffs' characterization of ASC 320,  
4 this accounting standard speaks for itself and no answer is required. The Director Defendants  
5 deny the remaining allegations in Paragraph 130 and the footnote cited therein.

6       131. To the extent the allegations in Paragraph 131 consist of Plaintiffs'  
7 characterization of GAAP, this accounting standard speaks for itself and no answer is required.  
8 To the extent the allegations in Paragraph 131 consist of Plaintiffs' characterization of ASC 320,  
9 this accounting standard speaks for itself and no answer is required. The Director Defendants  
10 deny the remaining allegations in Paragraph 131 and the footnote cited therein.

11       132. The Director Defendants admit that the EY Guide contains the quoted language in  
12 the first and sixth sentences of Paragraph 132, but deny any characterizations of the document,  
13 which speaks for itself. The Director Defendants admit that the KPMG Guide contains the  
14 quoted language in the second sentence of Paragraph 132, but deny any characterizations of the  
15 document, which speaks for itself. To the extent the allegations in Paragraph 132 consist of  
16 Plaintiffs' characterization of GAAP, this accounting standard speaks for itself and no answer is  
17 required. To the extent the allegations in Paragraph 132 consist of Plaintiffs' characterization of  
18 ASC 320, this accounting standard speaks for itself and no answer is required. The Director  
19 Defendants deny the remaining allegations in Paragraph 132 and the footnotes cited therein.

20       133. The Director Defendants admit that the KPMG Guide contains the quoted  
21 language in the second and third sentences of Paragraph 133, but deny any characterizations of  
22 the document, which speaks for itself. The Director Defendants admit that the PwC Guide  
23 contains the quoted language in the fourth sentence of Paragraph 133, but deny any  
24 characterizations of the document, which speaks for itself. To the extent the allegations in  
25 Paragraph 133 consist of Plaintiffs' characterization of GAAP, this accounting standard speaks  
26 for itself and no answer is required. To the extent the allegations in Paragraph 133 consist of  
27 Plaintiffs' characterization of ASC 320, this accounting standard speaks for itself and no answer

1 is required. The Director Defendants deny the remaining allegations in Paragraph 133 and the  
 2 footnotes cited therein.

3       134. To the extent the allegations in Paragraph 134 consist of Plaintiffs'  
 4 characterization of GAAP, this accounting standard speaks for itself and no answer is required.  
 5 To the extent the allegations in Paragraph 134 consist of Plaintiffs' characterization of ASC 320,  
 6 this accounting standard speaks for itself and no answer is required. The Director Defendants  
 7 deny the remaining allegations in Paragraph 134.

8       135. The Director Defendants deny the allegations in Paragraph 135.

9       136. The Director Defendants deny the allegations in Paragraph 136.

10      137. The Director Defendants deny the allegations in Paragraph 137.

11      138. The Director Defendants deny the allegations in Paragraph 138.

12      **F. As the Relevant Truth About the Financial Impact of SVB's Deficient  
 13 Governance and Risk Controls Was Revealed, Investors Suffer Substantial  
 Damages**

14      The Director Defendants deny the allegations in Header IV.F.

15      139. The Director Defendants admit that SVBFG's July 21, 2022 Q2 2022 earnings  
 16 call transcript contains the quoted language in Paragraph 139, but deny any characterizations of  
 17 the document, which speaks for itself. To the extent Paragraph 139 describes the percentage of a  
 18 decline in the price of SVBFG's common stock without alleging the values used to calculate the  
 19 percentage decline, the Director Defendants lack knowledge or information sufficient to form a  
 20 belief as to the truth or falsity of those allegations, and on that basis deny them. The Director  
 21 Defendants deny the remaining allegations in Paragraph 139.

22      140. The Director Defendants deny the allegations in Paragraph 140.

23      141. The Director Defendants deny the allegations in Paragraph 141.

24      142. The Director Defendants admit that SVBFG filed a press release with the SEC on  
 25 Form 8-K on October 10, 2022, regarding its Q3 2022 earnings release, but deny any  
 26 characterizations of the filing, which speaks for itself. To the extent Paragraph 142 describes the  
 27 percentage of a decline in the price of SVBFG's common stock without alleging the values used

1 to calculate the percentage decline, the Director Defendants lack knowledge or information  
 2 sufficient to form a belief as to the truth or falsity of those allegations, and on that basis deny  
 3 them. The Director Defendants deny the remaining allegations in Paragraph 142.

4       143. The Director Defendants deny the allegations in Paragraph 143.

5       144. The Director Defendants deny the allegations in Paragraph 144.

6       145. The Director Defendants deny the allegations in Paragraph 145 and the footnotes  
 7 cited therein.

8       146. To the extent Paragraph 146 describes the percentage of a decline in the price of  
 9 SVBFG's common stock without alleging the values used to calculate the percentage decline, the  
 10 Director Defendants lack knowledge or information sufficient to form a belief as to the truth or  
 11 falsity of those allegations, and on that basis deny them. The Director Defendants deny the  
 12 remaining allegations in Paragraph 146.

13       147. The Director Defendants deny the allegations in Paragraph 147.

14       148. The Director Defendants admit that Nasdaq restricted trading in SVBFG common  
 15 stock from March 10 to March 28, 2023. The Director Defendants admit that the DFPI closed  
 16 the Bank and appointed the FDIC as receiver on March 10, 2023. The Director Defendants admit  
 17 that the press release entitled "Nasdaq Halts SVB Financial Group" contains the quoted language  
 18 in Paragraph 148, but deny any characterizations of the document, which speaks for itself. The  
 19 Director Defendants respectfully refer the Court to publicly reported market services for a  
 20 description of the historical trading prices for SVBFG's securities and deny any inconsistent  
 21 allegations in the third sentence of Paragraph 148. The Director Defendants deny the remaining  
 22 allegations in Paragraph 148 and the footnote cited therein.

23 **V. THE OFFICER DEFENDANTS' FALSE AND MISLEADING STATEMENTS  
 24 AND OMISSIONS**

25       The Director Defendants deny the allegations in Header V.

26 **A. Misrepresentations and Omissions Concerning SVB's Internal Controls and  
 27 Preparedness for Large Financial Institution Status**

28       The Director Defendants deny the allegations in Header V.A.

1       149. The Director Defendants admit that SVBFG filed Annual Reports on Form 10-K  
2 with the SEC on February 28, 2020, March 1, 2021, March 1, 2022, and February 24, 2023, that  
3 contain the quoted language in the third, fourth, fifth, sixth, and seventh sentences of Paragraph  
4 149, but deny any characterizations of the filings, which speak for themselves. The Director  
5 Defendants admit that SVBFG filed a Quarterly Report on Form 10-Q with the SEC on  
6 November 5, 2020, that purports to incorporate the Risk Factors contained in SVBFG's February  
7 28, 2020 FY 2019 Form 10-K, but deny any characterizations of the filings, which speak for  
8 themselves. The Director Defendants admit that SVBFG filed Quarterly Reports on Form 10-Q  
9 with the SEC on May 10, 2021, August 6, 2021, and November 8, 2021, that purport to  
10 incorporate the Risk Factors contained in SVBFG's March 1, 2021 FY 2020 Form 10-K, but  
11 deny any characterizations of the filings, which speak for themselves. The Director Defendants  
12 admit that SVBFG filed Quarterly Reports on Form 10-Q with the SEC on May 6, 2022, August  
13 8, 2022, and November 7, 2022, that purport to incorporate the Risk Factors contained in  
14 SVBFG's March 1, 2022 FY 2021 Form 10-K, but deny any characterizations of the filings,  
15 which speak for themselves. The Director Defendants deny the remaining allegations in  
16 Paragraph 149.

17       150. The Director Defendants admit that SVBFG filed Annual Reports on Form 10-K  
18 with the SEC on February 28, 2020, March 1, 2021, and March 1, 2022, that contain the quoted  
19 language in the second and third sentences of Paragraph 150, but deny any characterizations of  
20 the filings, which speak for themselves. The Director Defendants admit that SVBFG filed a  
21 Quarterly Report on Form 10-Q with the SEC on November 5, 2020, that purports to incorporate  
22 the Risk Factors contained in SVBFG's February 28, 2020 FY 2019 Form 10-K, but deny any  
23 characterizations of the filings, which speak for themselves. The Director Defendants admit that  
24 SVBFG filed Quarterly Reports on Form 10-Q with the SEC on May 10, 2021, August 6, 2021,  
25 and November 8, 2021, that purport to incorporate the Risk Factors contained in SVBFG's  
26 March 1, 2021 FY 2020 Form 10-K, but deny any characterizations of the filings, which speak  
27 for themselves. The Director Defendants admit that SVBFG filed Quarterly Reports on Form  
28

1 10-Q with the SEC on May 6, 2022, August 8, 2022, and November 7, 2022, that purport to  
 2 incorporate the Risk Factors contained in SVBFG's March 1, 2022 FY 2021 Form 10-K, but  
 3 deny any characterizations of the filings, which speak for themselves. The Director Defendants  
 4 admit that SVBFG filed an Annual Report on Form 10-K with the SEC on February 24, 2023,  
 5 that contains the quoted language in Footnote 45 to Paragraph 150, but deny any  
 6 characterizations of the filing, which speaks for itself. The Director Defendants deny the  
 7 remaining allegations in Paragraph 150 and the footnote cited therein.

8       151. The Director Defendants admit that SVBFG filed with the SEC Quarterly Reports  
 9 on Form 10-Q on November 5, 2020, May 10, 2021, August 6, 2021, November 8, 2021, May 6,  
 10 2022, August 8, 2022, and November 7, 2022, and Annual Reports on Form 10-K on March 1,  
 11 2021, March 1, 2022, and February 24, 2023, that contain the quoted language in Paragraph 151,  
 12 but deny any characterizations of the filings, which speak for themselves. The Director  
 13 Defendants deny the remaining allegations in Paragraph 151.

14       152. The Director Defendants admit that SVBFG filed Annual Reports on Form 10-K  
 15 with the SEC on February 28, 2020, March 1, 2021, March 1, 2022, and February 24, 2023, that  
 16 contain the quoted language in the first sentence of Paragraph 152, but deny any  
 17 characterizations of the filings, which speak for themselves. The Director Defendants admit that  
 18 SVBFG filed a Quarterly Report on Form 10-Q with the SEC on November 5, 2020, that  
 19 purports to incorporate the Risk Factors contained in SVBFG's February 28, 2020 FY 2019 Form  
 20 10-K, but deny any characterizations of the filings, which speak for themselves. The Director  
 21 Defendants admit that SVBFG filed Quarterly Reports on Form 10-Q with the SEC on May 10,  
 22 2021, August 6, 2021, and November 8, 2021, that purport to incorporate the Risk Factors  
 23 contained in SVBFG's March 1, 2021 FY 2020 Form 10-K, but deny any characterizations of the  
 24 filings, which speak for themselves. The Director Defendants admit that SVBFG filed Quarterly  
 25 Reports on Form 10-Q with the SEC on May 6, 2022, August 8, 2022, and November 7, 2022,  
 26 that purport to incorporate the Risk Factors contained in SVBFG's March 1, 2022 FY 2021 Form

1 10-K, but deny any characterizations of the filings, which speak for themselves. The Director  
2 Defendants deny the remaining allegations in Paragraph 152.

3 153. The Director Defendants admit that SVBFG filed Annual Reports on Form 10-K  
4 on March 1, 2021, March 1, 2022, and February 24, 2023, that contain the quoted language in  
5 Paragraph 153, but deny any characterizations of the documents, which speak for themselves.  
6 The Director Defendants deny the remaining allegations in Paragraph 153.

7 154. The Director Defendants admit that SVBFG filed Proxy Statements on Schedule  
8 14A with the SEC on March 4, 2021 and March 4, 2022, that contained the quoted language in  
9 Paragraph 154, but deny any characterizations of the filings, which speak for themselves. The  
10 Director Defendants deny the remaining allegations in Paragraph 154.

11 155. The Director Defendants admit that the April 22, 2021 Q1 2021 earnings call  
12 transcript contains the quoted language in Paragraph 155, but deny any characterizations of the  
13 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
14 Paragraph 155.

15 156. The Director Defendants admit that the July 22, 2021 Q2 2021 earnings call  
16 transcript contains the quoted language in Paragraph 156, but deny any characterizations of the  
17 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
18 Paragraph 156.

19 157. The Director Defendants admit that SVBFG filed a Proxy Statement on Schedule  
20 14A with the SEC on March 4, 2022, that contains the quoted language in Paragraph 157, but  
21 deny any characterizations of the filing, which speaks for itself. The Director Defendants deny  
22 the remaining allegations in Paragraph 157. The Director Defendants admit that the January 19,  
23 2023 Q4 2022 earnings call transcript contains the quoted language in Paragraph 158, but deny  
24 any characterizations of the document, which speaks for itself.

25 158. The Director Defendants deny the remaining allegations in Paragraph 158.

26 159. The Director Defendants admit that SVBFG filed a Proxy Statement on Schedule  
27 14A with the SEC on March 3, 2023, that contains the quoted language in Paragraph 159, but  
28

1 deny any characterizations of the filing, which speaks for itself. The Director Defendants deny  
 2 the remaining allegations in Paragraph 159.

3       160. The allegations in Paragraph 160 and the headers contained therein are directed at  
 4 parties other than the Director Defendants, and no answer is required. To an extent an answer is  
 5 required, the Director Defendants deny the allegations in Paragraph 160.

6           **B. Misrepresentations and Omissions Concerning SVB's Liquidity Management**

7       The Director Defendants deny the allegations in Header V.B.

8       161. The Director Defendants admit that SVBFG filed Quarterly Reports on Form 10-  
 9 Q with the SEC on November 5, 2020, May 10, 2021, August 6, 2021, November 8, 2021, May  
 10 6, 2022, August 8, 2022, and November 7, 2022, and Annual Reports on Form 10-K on March 1,  
 11 2021, March 1, 2022, and February 24, 2023, that contain the quoted language in the first  
 12 sentence of Paragraph 161, but deny any characterizations of the filings, which speak for  
 13 themselves. The Director Defendants admit that SVBFG filed Quarterly Reports on Form 10-Q  
 14 with the SEC on November 5, 2020, May 10, 2021, August 6, 2021, and November 8, 2021, and  
 15 Annual Reports on Form 10-K on March 1, 2021, and March 1, 2022, that contain the quoted  
 16 language in the second sentence of Paragraph 161, but deny any characterizations of the filings,  
 17 which speak for themselves. The Director Defendants deny the remaining allegations in  
 18 Paragraph 161.

19       162. The Director Defendants admit that the April 22, 2021 Q1 2021 earnings call  
 20 transcript contains the quoted language in Paragraph 162, but deny any characterizations of the  
 21 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
 22 Paragraph 162.

23       163. The Director Defendants admit that the January 20, 2022 Q4 2021 earnings call  
 24 transcript contains the quoted language in Paragraph 163, but deny any characterizations of the  
 25 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
 26 Paragraph 163.

1       164. The Director Defendants admit that SVBFG filed Quarterly Reports on Form 10-  
 2 Q with the SEC on May 6, 2022, August 8, 2022, and November 7, 2022, and an Annual Report  
 3 on Form 10-K on February 24, 2023, that contain the quoted language in Paragraph 164, but  
 4 deny any characterizations of the filings, which speak for themselves. The Director Defendants  
 5 deny the remaining allegations in Paragraph 164.

6       165. The Director Defendants admit that SVBFG filed a Form 8-K with the SEC on  
 7 July 21, 2022, that contains the quoted language in Paragraph 165, but deny any  
 8 characterizations of the filing, which speaks for itself. The Director Defendants deny the  
 9 remaining allegations in Paragraph 165.

10      166. The Director Defendants admit that the July 21, 2022 Q2 2022 earnings call  
 11 transcript contains the quoted language in Paragraph 166, but deny any characterizations of the  
 12 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
 13 Paragraph 166.

14      167. The Director Defendants admit that the October 20, 2022 Q3 2022 earnings call  
 15 transcript contains the quoted language in Paragraph 167, but deny any characterizations of the  
 16 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
 17 Paragraph 167.

18       168. The Director Defendants deny the allegations in Paragraph 168.

19      169. The Director Defendants admit that the transcript from the December 7, 2022  
 20 Goldman Sachs US Financial Services Conference contains the quoted language in Paragraph  
 21 169, but deny any characterizations of the document, which speaks for itself. The Director  
 22 Defendants deny the remaining allegations in Paragraph 169.

23      170. The Director Defendants admit that SVBFG filed a Form 8-K with the SEC on  
 24 January 19, 2023, that contains the quoted language in Paragraph 170, but deny any  
 25 characterizations of the filing, which speaks for itself. The Director Defendants deny the  
 26 remaining allegations in Paragraph 170.

1       171. The Director Defendants admit that the January 19, 2023 Q4 2022 earnings call  
 2 transcript contains the quoted language in Paragraph 171, but deny any characterizations of the  
 3 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
 4 Paragraph 171.

5       172. The Director Defendants admit that the January 19, 2023 Q4 2022 earnings call  
 6 transcript contains the quoted language in Paragraph 172, but deny any characterizations of the  
 7 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
 8 Paragraph 172.

9       173. The Director Defendants admit that the February 22, 2023 article published in *The*  
 10 *Financial Times* entitled “Silicon Valley Bank Profit Squeeze in Tech Downturn Attracts Short  
 11 Sellers” contains the quoted language in Paragraph 173, but deny any characterizations of the  
 12 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
 13 Paragraph 173.

14       174. The allegations in Paragraph 174 and the headers therein are directed at parties  
 15 other than the Director Defendants, and no answer is required. To an extent an answer is  
 16 required, the Director Defendants deny the allegations in Paragraph 174.

17       **C. Misrepresentations and Omissions Concerning SVB’s Interest Rate Risk  
 18 Management**

19       The Director Defendants deny the allegations in Header V.C.

20       175. The Director Defendants admit that SVBFG filed Quarterly Reports on Form 10-  
 21 Q with the SEC on November 5, 2020, May 10, 2021, August 6, 2021, November 8, 2021, May  
 22 6, 2022, August 8, 2022, and November 7, 2022, and Annual Reports on Form 10-K on March 1,  
 23 2021, March 1, 2022, and February 24, 2023, that contain the quoted language in Paragraph 175,  
 24 but deny any characterizations of the filings, which speak for themselves. The Director  
 25 Defendants deny the remaining allegations in Paragraph 175.

26       176. The Director Defendants admit that SVBFG filed Quarterly Reports on Form 10-  
 27 Q with the SEC on May 10, 2021, August 6, 2021, November 8, 2021, May 6, 2022, August 8,

1 2022, and November 7, 2022, and Annual Reports on Form 10-K on March 1, 2021 and March 1,  
 2 2022, that contain the quoted language in Paragraph 176, but deny any characterizations of the  
 3 filings, which speak for themselves. The Director Defendants admit that SVBFG filed an Annual  
 4 Report on Form 10-K with the SEC on February 24, 2023, that contains the quoted language in  
 5 the footnote cited in Paragraph 176, but deny any characterizations of the filing, which speaks  
 6 for itself. The Director Defendants deny the remaining allegations in Paragraph 176 and the  
 7 footnote cited therein.

8 177. The Director Defendants admit that SVBFG filed Quarterly Reports on Form 10-  
 9 Q with the SEC on May 10, 2021, August 6, 2021, November 8, 2021, May 6, 2022, August 8,  
 10 2022, and November 7, 2022, and Annual Reports on Form 10-K on March 1, 2021, March 1,  
 11 2022, and February 24, 2023, that contain the information in the table in Paragraph 177, but deny  
 12 any characterizations of the filings, which speak for themselves. The Director Defendants deny  
 13 the remaining allegations in Paragraph 177.

14 178. The Director Defendants admit that SVBFG filed a Form 8-K with the SEC on  
 15 January 19, 2023, that contains the quoted language in Paragraph 178, but deny any  
 16 characterizations of the filing, which speaks for itself. The Director Defendants deny the  
 17 remaining allegations in Paragraph 178.

18 179. The Director Defendants admit that the April 22, 2021 Q1 2021 earnings call  
 19 transcript contains the quoted language in Paragraph 179, but deny any characterizations of the  
 20 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
 21 Paragraph 179.

22 180. The Director Defendants admit that SVBFG filed a Form 8-K with the SEC on  
 23 July 22, 2021, that contains the quoted language in Paragraph 180, but deny any  
 24 characterizations of the filing, which speaks for itself. The Director Defendants deny the  
 25 remaining allegations in Paragraph 180.

26 181. The Director Defendants admit that the July 22, 2021 Q2 2021 earnings call  
 27 transcript contains the quoted language in Paragraph 181, but deny any characterizations of the  
 28

1 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
2 Paragraph 181.

3 182. The Director Defendants admit that the October 21, 2021 Q3 2021 earnings call  
4 transcript contains the quoted language in Paragraph 182, but deny any characterizations of the  
5 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
6 Paragraph 182.

7 183. The Director Defendants admit that SVBFG filed an Annual Report on Form 10-  
8 K with the SEC on January 20, 2022, that contains the quoted language in Paragraph 183, but  
9 deny any characterizations of the filing, which speaks for itself.

10 184. The Director Defendants admit that the January 20, 2022 Q4 2021 earnings call  
11 transcript contains the quoted language in Paragraph 184, but deny any characterizations of the  
12 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
13 Paragraph 184.

14 185. The Director Defendants admit that SVBFG filed a Form 8-K with the SEC on  
15 April 21, 2022, that contains the quoted language in Paragraph 185, but deny any  
16 characterizations of the filing, which speaks for itself. The Director Defendants deny the  
17 remaining allegations in Paragraph 185.

18 186. The Director Defendants admit that the April 21, 2022 Q1 2022 earnings call  
19 transcript contains the quoted language in Paragraph 186, but deny any characterizations of the  
20 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
21 Paragraph 186.

22 187. The Director Defendants admit that the April 21, 2022 Q1 2022 earnings call  
23 transcript contains the quoted language in Paragraph 187, but deny any characterizations of the  
24 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
25 Paragraph 187.

26 188. The Director Defendants admit that SVBFG filed a Quarterly Report on Form 10-  
27 Q with the SEC on May 6, 2022, that contains the quoted language in Paragraph 188, but deny  
28

1 any characterizations of the filing, which speaks for itself. The Director Defendants deny the  
 2 remaining allegations in Paragraph 188.

3       189. The Director Defendants admit that the July 21, 2022 Q2 2022 earnings call  
 4 transcript contains the quoted language in Paragraph 189, but deny any characterizations of the  
 5 document, which speaks for itself. The Director Defendants deny the remaining allegations in  
 6 Paragraph 189.

7       190. The Director Defendants admit that SVBFG filed a Quarterly Report on Form 10-  
 8 Q with the SEC on August 8, 2022, that contains the quoted language in Paragraph 190, but deny  
 9 any characterizations of the filing, which speaks for itself. The Director Defendants deny the  
 10 remaining allegations in Paragraph 190.

11       191. The Director Defendants admit that the transcript of the September 12, 2022 20th  
 12 Annual Global Financial Services Conference contains the quoted language in Paragraph 191,  
 13 but deny any characterizations of the document, which speaks for itself. The Director  
 14 Defendants deny the remaining allegations in Paragraph 191.

15       192. The allegations in Paragraph 192 and the headers therein are directed at parties  
 16 other than the Director Defendants, and no answer is required. To an extent an answer is  
 17 required, the Director Defendants deny the allegations in Paragraph 192.

18           **D. Misrepresentations and Omissions Concerning SVB's AFS and HTM  
 19 Securities**

20       The Director Defendants deny the allegations in Header V.D.

21       193. The Director Defendants admit that SVBFG filed with the SEC Quarterly Reports  
 22 on Form 10-Q on November 5, 2022, May 10, 2021, August 6, 2021, November 8, 2021, May 6,  
 23 2022, August 8, 2022, and November 7, 2022, and Annual Reports on Form 10-K on March 1,  
 24 2021, March 1, 2022, and February 24, 2023, that contain the information in the table in  
 25 Paragraph 193, but deny any characterizations of the filings, which speak for themselves. The  
 26 Director Defendants deny the remaining allegations in Paragraph 193.

1       194. The Director Defendants admit that SVBFG filed Annual Reports on Form 10-K  
2 with the SEC on February 28, 2020, March 1, 2021, March 1, 2022, and February 24, 2023, that  
3 contain the quoted language in Paragraph 193, but deny any characterizations of the filings,  
4 which speak for themselves. The Director Defendants admit that SVBFG filed a Quarterly  
5 Report on Form 10-Q with the SEC on November 5, 2020, that purports to incorporate the  
6 Summary of Significant Accounting Policies in SVBFG's February 28, 2020 FY 2019 Form 10-  
7 K, but deny any characterizations of the filings, which speak for themselves. The Director  
8 Defendants admit that SVBFG filed Quarterly Reports on Form 10-Q with the SEC on May 10,  
9 2021, August 6, 2021, and November 8, 2021, that purport to incorporate the Summary of  
10 Significant Accounting Policies in SVBFG's March 1, 2021 FY 2020 Form 10-K, but deny any  
11 characterizations of the filings, which speak for themselves. The Director Defendants admit that  
12 SVBFG filed Quarterly Reports on Form 10-Q with the SEC on May 6, 2022, August 8, 2022,  
13 and November 7, 2022, that purport to incorporate the Summary of Significant Accounting  
14 Policies in SVBFG's March 1, 2022 FY 2021 Form 10-K, but deny any characterizations of the  
15 filings, which speak for themselves. The Director Defendants deny the remaining allegations in  
16 Paragraph 194.

17       195. The Director Defendants admit that SVBFG filed a Quarterly Report on Form 10-  
18 Q with the SEC on April 22, 2021, that contains the quoted language in Paragraph 195, but deny  
19 any characterizations of the filing, which speaks for itself. The Director Defendants deny the  
20 remaining allegations in Paragraph 195.

21       196. The Director Defendants admit that SVBFG filed a Quarterly Report on Form 10-  
22 Q with the SEC on May 10, 2021, but deny any characterizations of the filing, which speaks for  
23 itself. The Director Defendants respectfully refer the Court to SVBFG's May 10, 2021 Form 10-  
24 Q for a description of SVBFG's designations of securities at the time of that filing and deny any  
25 inconsistent allegations in Paragraph 196.

26       197. The Director Defendants admit that SVBFG filed with the SEC Quarterly Reports  
27 on Form 10-Q on May 10, 2021, August 6, 2021, and November 8, 2021, and Annual Reports on  
28

1 Form 10-K on March 1, 2022, and February 24, 2023, that contain the quoted language in  
 2 Paragraph 197, but deny any characterizations of the filings, which speak for themselves. The  
 3 Director Defendants deny the remaining allegations in Paragraph 197.

4       198. The Director Defendants admit that SVBFG filed a Quarterly Report on Form 10-  
 5 Q with the SEC on August 6, 2021, but deny any characterizations of the filing, which speaks for  
 6 itself. The Director Defendants respectfully refer the Court to SVBFG's August 6, 2021 Form  
 7 10-Q for a description of SVBFG's designations of securities at the time of that filing and deny  
 8 any inconsistent allegations in Paragraph 198.

9       199. The Director Defendants admit that SVBFG filed a Quarterly Report on Form 10-  
 10 Q with the SEC on November 8, 2021, and filed an Annual Report on Form 10-K with the SEC  
 11 on March 1, 2022, but deny any characterizations of the filings, which speak for themselves.  
 12 The Director Defendants respectfully refer the Court to SVBFG's November 8, 2021 Form 10-Q  
 13 and March 1, 2022 Form 10-K for a description of SVBFG's designations of securities at the  
 14 time of those filings and deny any inconsistent allegations in Paragraph 199.

15       200. The allegations in Paragraph 200 are directed at parties other than the Director  
 16 Defendants, and no answer is required. To an extent an answer is required, the Director  
 17 Defendants deny the allegations in Paragraph 200.

## 18 VI. ADDITIONAL SCIENTER ALLEGATIONS

19 Header VI contains Plaintiffs' characterizations of the Complaint and contains no factual  
 20 allegations for which an answer is required.

### 21 A. The Officer Defendants' Personal Involvement in and Knowledge of SVB's 22 Risk Management Issues Establishes Their Scienter

23 The allegations in Header VI.A. are directed at parties other than the Director Defendants, and no  
 24 answer is required.

25       201. The allegations in Paragraph 201 are directed at parties other than the Director  
 26 Defendants, and no answer is required.

1       202. The allegations in Paragraph 202 are directed at parties other than the Director  
2 Defendants, and no answer is required.

3       203. The allegations in Paragraph 203 are directed at parties other than the Director  
4 Defendants, and no answer is required.

5       204. The allegations in Paragraph 204 are directed at parties other than the Director  
6 Defendants, and no answer is required.

7           **B. The Officer Defendants Had Motive to Commit the Fraud**

8       The allegations in Header VI.B. are directed at parties other than the Director Defendants,  
9 and no answer is required.

10           **1. SVB's Compensation Structure Incentivized the Officer Defendants to  
11           Commit Fraud**

12       The allegations in Header VI.B.1. are directed at parties other than the Director  
13 Defendants, and no answer is required.

14       205. The allegations in Paragraph 205 are directed at parties other than the Director  
15 Defendants, and no answer is required.

16       206. The allegations in Paragraph 206 are directed at parties other than the Director  
17 Defendants, and no answer is required.

18       207. The allegations in Paragraph 207 are directed at parties other than the Director  
19 Defendants, and no answer is required.

20       208. The allegations in Paragraph 208 are directed at parties other than the Director  
21 Defendants, and no answer is required.

22       209. The allegations in Paragraph 209 are directed at parties other than the Director  
23 Defendants, and no answer is required.

24       210. The allegations in Paragraph 210 are directed at parties other than the Director  
25 Defendants, and no answer is required.

26       211. The allegations in Paragraph 211 are directed at parties other than the Director  
27 Defendants, and no answer is required.

1       212. The allegations in Paragraph 212 are directed at parties other than the Director  
 2 Defendants, and no answer is required.

3       213. The allegations in Paragraph 213 are directed at parties other than the Director  
 4 Defendants, and no answer is required.

5           **2. The Officer Defendants Engaged in Suspicious Stock Sales During the  
 6 Relevant Period**

7       The allegations in Header VI.B.2. are directed at parties other than the Director  
 8 Defendants, and no answer is required.

9       214. The allegations in Paragraph 214 are directed at parties other than the Director  
 10 Defendants, and no answer is required.

11       215. The allegations in Paragraph 215 are directed at parties other than the Director  
 12 Defendants, and no answer is required.

13       216. The allegations in Paragraph 216 are directed at parties other than the Director  
 14 Defendants, and no answer is required.

15       217. The allegations in Paragraph 217 are directed at parties other than the Director  
 16 Defendants, and no answer is required.

17           **VII. LOSS CAUSATION**

18       Header VII contains Plaintiffs' characterizations of the Complaint and contains no factual  
 19 allegations for which an answer is required.

20       218. The Director Defendants deny the allegations in Paragraph 218.

21       219. To the extent the allegations in Paragraph 219 consist of legal conclusions, no  
 22 answer is required. To the extent an answer is required, the Director Defendants deny the  
 23 remaining allegations in Paragraph 219.

24       220. The Director Defendants deny the allegations in Paragraph 220.

25       221. The Director Defendants deny the allegations in Paragraph 221.

26       222. The Director Defendants deny the allegations in Paragraph 222.

1       223. The Director Defendants admit that the July 21, 2022 earnings call transcript  
2 contains the quoted language in Paragraph 223, but deny any characterizations of the document,  
3 which speaks for itself. The Director Defendants deny the remaining allegations in Paragraph  
4 223.

5       224. To the extent Paragraph 224 describes the percentage of a decline in the price of  
6 SVBFG's common stock without alleging the values used to calculate the percentage decline, the  
7 Director Defendants lack knowledge or information sufficient to form a belief as to the truth or  
8 falsity of those allegations, and on that basis deny them. The Director Defendants deny the  
9 remaining allegations in Paragraph 224.

10      225. The Director Defendants deny the allegations in Paragraph 225.

11      226. The Director Defendants deny the allegations in Paragraph 226.

12      227. The Director Defendants respectfully refer the Court to SVBFG's October 20,  
13 2022 earnings call transcript for a description of SVBFG's financial results and financial  
14 estimates and deny any inconsistent allegations in Paragraph 227. The Director Defendants deny  
15 the remaining allegations in Paragraph 227.

16      228. To the extent Paragraph 228 describes the percentage of a decline in the price of  
17 SVBFG's common stock without alleging the values used to calculate the percentage decline, the  
18 Director Defendants lack knowledge or information sufficient to form a belief as to the truth or  
19 falsity of those allegations, and on that basis deny them. The Director Defendants deny the  
20 remaining allegations in Paragraph 228.

21      229. The Director Defendants deny the allegations in Paragraph 229.

22      230. The Director Defendants admit that SVBFG filed a Form 8-K with the SEC on  
23 March 8, 2023, that contains the quoted language in Paragraph 230, but deny any  
24 characterizations of the filing, which speaks for itself. The Director Defendants deny the  
25 remaining allegations in Paragraph 230.

26      231. The Director Defendants lack knowledge or information sufficient to form a belief  
27 as to the truth or falsity of the allegations in Paragraph 231, and on that basis deny them.  
28

1       232. To the extent Paragraph 232 describes the percentage of a decline in the price of  
 2 SVBFG's common stock or SVB Series 5.25 preferred stock without alleging the values used to  
 3 calculate the percentage decline, the Director Defendants lack knowledge or information  
 4 sufficient to form a belief as to the truth or falsity of those allegations, and on that basis deny  
 5 them. The Director Defendants deny the remaining allegations in Paragraph 232.

6       233. The Director Defendants admit that the March 10, 2023 Nasdaq press release  
 7 entitled "Nasdaq Halts SVB Financial Group" contains the quoted language in the fourth  
 8 sentence of Paragraph 233, but deny any characterizations of the document, which speaks for  
 9 itself. The Director Defendants admit that Nasdaq restricted trading in SVBFG common stock  
 10 from March 10 to March 28, 2023. The Director Defendants admit that the DFPI closed the  
 11 Bank and appointed the FDIC as receiver on March 10, 2023. The Director Defendants admit  
 12 that SVBFG filed a chapter 11 bankruptcy petition on March 17, 2023. The Director Defendants  
 13 respectfully refer the Court to publicly reported market services for a description of the historical  
 14 trading prices for SVBFG's securities and deny any inconsistent allegations in the eighth  
 15 sentence of Paragraph 233. The Director Defendants deny the remaining allegations in  
 16 Paragraph 233 and the footnote cited therein.

17 **VIII. APPLICABILITY OF THE PRESUMPTION OF RELIANCE: FRAUD ON THE  
 MARKET**

18       Header VIII contains Plaintiffs' characterizations of the Complaint and contains no factual  
 19 allegations for which an answer is required.

20       234. To the extent the allegations in Paragraph 234 consist of legal conclusions, no  
 21 answer is required. To the extent an answer is required, the Director Defendants lack knowledge  
 22 or information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph  
 23 234, and on that basis deny them.

24       235. To the extent the allegations in Paragraph 235 consist of legal conclusions, no  
 25 answer is required. To the extent an answer is required, the Director Defendants deny the  
 26 remaining allegations in Paragraph 235.

236. To the extent the allegations in Paragraph 236 consist of legal conclusions, no answer is required. To the extent an answer is required, the Director Defendants deny the remaining allegations in Paragraph 236.

## COUNT I

**For Violation of §10(b) of the Exchange Act  
and Rule 10b-5  
Against the Officer Defendants**

The Director Defendants deny the allegations in the header found at page 92, lines 3 through 5.

237. The allegations in Paragraph 237 are directed at parties other than the Director Defendants, and no answer is required.

238. The allegations in Paragraph 238 are directed at parties other than the Director Defendants, and no answer is required.

239. The allegations in Paragraph 239 are directed at parties other than the Director Defendants, and no answer is required.

240. The allegations in Paragraph 240 are directed at parties other than the Director Defendants, and no answer is required.

241. The allegations in Paragraph 241 are directed at parties other than the Director Defendants, and no answer is required.

242. The allegations in Paragraph 242 are directed at parties other than the Director Defendants, and no answer is required.

243. The allegations in Paragraph 243 are directed at parties other than the Director Defendants, and no answer is required.

244. The allegations in Paragraph 244 are directed at parties other than the Director Defendants, and no answer is required.

245. The allegations in Paragraph 245 are directed at parties other than the Director Defendants, and no answer is required.

246. The allegations in Paragraph 246 are directed at parties other than the Director Defendants, and no answer is required.

247. The allegations in Paragraph 247 are directed at parties other than the Director Defendants, and no answer is required.

## COUNT II

## **For Violation of §20(a) of the Exchange Act Against the Individual Defendants**

The Director Defendants deny the allegations in the header found at page 94, lines 3 through 5.

248. The Director Defendants repeat and re-allege each and every response to the preceding allegations as if fully set forth herein.

249. To the extent the allegations in Paragraph 249 consist of legal conclusions, no answer is required. To the extent an answer is required, the Director Defendants deny the remaining allegations in Paragraph 249.

250. To the extent the allegations in Paragraph 250 consist of legal conclusions, no answer is required. To the extent an answer is required, the Director Defendants deny the remaining allegations in Paragraph 250.

## **IX. SECURITIES ACT ALLEGATIONS**

Header IX contains Plaintiffs' characterizations of the Complaint and contains no factual allegations for which an answer is required.

## A. The Relevant Offerings

Header IX.A. contains Plaintiffs' characterizations of the Complaint and contains no factual allegations for which an answer is required.

251. To the extent the allegations in Paragraph 251 consist of legal conclusions, no answer is required. To the extent an answer is required, the Director Defendants lack knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph 251, and on that basis deny them.

1       252. Paragraph 252 contains Plaintiffs' characterizations of the Complaint and contains  
2 no factual allegations for which an answer is required.

3       253. The Director Defendants admit that SVBFG filed a Registration Statement on  
4 Form S-3 ASR with the SEC on November 15, 2019 authorizing the offering or sale of SVBFG  
5 senior debt securities, subordinated debt securities, common stock, preferred stock, depositary  
6 shares, warrants, units, and stock purchase contracts. The Director Defendants admit that the  
7 Registration Statement was declared effective on November 15, 2019.

8       254. To the extent the allegations in Paragraph 254 consist of legal conclusions, no  
9 answer is required. To the extent an answer is required, the Director Defendants respectfully  
10 refer the Court to the referenced offering documents, which speak for themselves, and deny any  
11 inconsistent allegations in Paragraph 254.

12       255. The Director Defendants admit that SVBFG filed a Prospectus Supplement on  
13 Form 424B2 with the SEC on January 28, 2021, but respectfully refer the Court to the referenced  
14 offering documents, which speak for themselves, and deny any inconsistent allegations in  
15 Paragraph 255. The allegations in the third sentence of Paragraph 255 contain Plaintiffs'  
16 characterizations of the Complaint and contain no factual allegations for which an answer is  
17 required.

18       256. The Director Defendants admit that SVBFG filed a Prospectus Supplement on  
19 Form 424B2 with the SEC on January 28, 2021, but respectfully refer the Court to the referenced  
20 offering documents, which speak for themselves, and deny any inconsistent allegations in  
21 Paragraph 256. The allegations in the third sentence of Paragraph 256 contain Plaintiffs'  
22 characterizations of the Complaint and contain no factual allegations for which an answer is  
23 required.

24       257. The Director Defendants admit that SVBFG filed a Prospectus Supplement on  
25 Form 424B2 with the SEC on May 10, 2021, but respectfully refer the Court to the referenced  
26 offering documents, which speak for themselves, and deny any inconsistent allegations in  
27 Paragraph 257. The allegations in the third sentence of Paragraph 257 contain Plaintiffs'

1 characterizations of the Complaint and contain no factual allegations for which an answer is  
2 required.

3       258. The Director Defendants admit that SVBFG filed a Prospectus Supplement on  
4 Form 424B2 with the SEC on May 10, 2021, but respectfully refer the Court to the referenced  
5 offering documents, which speak for themselves, and deny any inconsistent allegations in  
6 Paragraph 258. The allegations in the third sentence of Paragraph 258 contain Plaintiffs'  
7 characterizations of the Complaint and contain no factual allegations for which an answer is  
8 required.

9       259. The Director Defendants admit that SVBFG filed a Prospectus Supplement on  
10 Form 424B2 with the SEC on October 27, 2021, but respectfully refer the Court to the referenced  
11 offering documents, which speak for themselves, and deny any inconsistent allegations in  
12 Paragraph 259. The allegations in the third sentence of Paragraph 259 contain Plaintiffs'  
13 characterizations of the Complaint and contain no factual allegations for which an answer is  
14 required.

15       260. The Director Defendants admit that SVBFG filed a Prospectus Supplement on  
16 Form 424B2 with the SEC on October 27, 2021, but respectfully refer the Court to the referenced  
17 offering documents, which speak for themselves, and deny any inconsistent allegations in  
18 Paragraph 260. The allegations in the third sentence of Paragraph 260 contain Plaintiffs'  
19 characterizations of the Complaint and contain no factual allegations for which an answer is  
20 required.

21       261. The Director Defendants admit that SVBFG filed a Prospectus Supplement on  
22 Form 424B2 with the SEC on October 27, 2021, but respectfully refer the Court to the referenced  
23 offering documents, which speak for themselves, and deny any inconsistent allegations in  
24 Paragraph 261. The allegations in the third sentence of Paragraph 261 contain Plaintiffs'  
25 characterizations of the Complaint and contain no factual allegations for which an answer is  
26 required.

1       262. The Director Defendants admit that SVBFG filed a Prospectus Supplement on  
 2 Form 424B2 with the SEC on April 28, 2022, but respectfully refer the Court to the referenced  
 3 offering documents, which speak for themselves, and deny any inconsistent allegations in  
 4 Paragraph 262. The allegations in the third sentence of Paragraph 262 contain Plaintiffs'  
 5 characterizations of the Complaint and contain no factual allegations for which an answer is  
 6 required.

7       263. Paragraph 263 contains Plaintiffs' characterizations of the Complaint and contains  
 8 no factual allegations for which an answer is required.

9       264. The allegations in the first sentence of Paragraph 264 contain Plaintiffs'  
 10 characterizations of the Complaint and contain no factual allegations for which an answer is  
 11 required. To the extent the allegations in the second and third sentences of Paragraph 264  
 12 contain legal conclusions, no answer is required. To the extent the allegations in the second and  
 13 third sentences of Paragraph 264 consist of Plaintiffs' characterizations of the referenced offering  
 14 documents, the Director Defendants deny any characterizations of the offering documents, which  
 15 speak for themselves. The Director Defendants deny the remaining allegations in Paragraph 264.

16       **B. The Offering Materials Contained Untrue Statements of Material Fact  
 17 and/or Omitted Facts Necessary to Make the Statements Made Therein Not  
 False or Misleading**

18       The Director Defendants deny the allegations in Header IX.B.

19       **1. Untrue Statements and Omissions About SVB's Internal Controls**

20       The Director Defendants deny the allegations in Header IX.B.1.

21       265. The Director Defendants admit that SVBFG filed Annual Reports on Form 10-K  
 22 with the SEC on February 28, 2020, March 1, 2021, March 1, 2022, and February 24, 2023, that  
 23 contain the quoted language in the second, third, fourth, fifth, and sixth sentences of Paragraph  
 24 265, but deny any characterizations of the filings, which speak for themselves. The Director  
 25 Defendants admit that SVBFG filed a Quarterly Report on Form 10-Q with the SEC on  
 26 November 5, 2020, that purports to incorporate the Risk Factors contained in SVBFG's February  
 27 28, 2020 FY 2019 Form 10-K, but deny any characterizations of the filings, which speak for

1 themselves. The Director Defendants admit that SVBFG filed Quarterly Reports on Form 10-Q  
 2 with the SEC on May 10, 2021, August 6, 2021, and November 8, 2021, that purport to  
 3 incorporate the Risk Factors contained in SVBFG's March 1, 2021 FY 2020 Form 10-K, but  
 4 deny any characterizations of the filings, which speak for themselves. The Director Defendants  
 5 admit that SVBFG filed Quarterly Reports on Form 10-Q with the SEC on May 6, 2022, August  
 6 8, 2022, and November 7, 2022, that purport to incorporate the Risk Factors contained in  
 7 SVBFG's March 1, 2022 FY 2021 Form 10-K, but deny any characterizations of the filings,  
 8 which speak for themselves. The Director Defendants deny the remaining allegations in  
 9 Paragraph 265.

10       266. The Director Defendants admit that SVBFG filed Annual Reports on Form 10-K  
 11 with the SEC on February 28, 2020, March 1, 2021, March 1, 2022, and February 24, 2023, that  
 12 contain the quoted language in the first, second, and third sentences of Paragraph 266, but deny  
 13 any characterizations of the filings, which speak for themselves. The Director Defendants admit  
 14 that SVBFG filed a Quarterly Report on Form 10-Q with the SEC on November 5, 2020, that  
 15 purports to incorporate the Risk Factors contained in SVBFG's February 28, 2020 FY 2019 Form  
 16 10-K, but deny any characterizations of the filings, which speak for themselves. The Director  
 17 Defendants admit that SVBFG filed Quarterly Reports on Form 10-Q with the SEC on May 10,  
 18 2021, August 6, 2021, and November 8, 2021, that purport to incorporate the Risk Factors  
 19 contained in SVBFG's March 1, 2021 FY 2020 Form 10-K, but deny any characterizations of the  
 20 filings, which speak for themselves. The Director Defendants admit that SVBFG filed Quarterly  
 21 Reports on Form 10-Q with the SEC on May 6, 2022, August 8, 2022, and November 7, 2022,  
 22 that purport to incorporate the Risk Factors contained in SVBFG's March 1, 2022 FY 2021 Form  
 23 10-K, but deny any characterizations of the filings, which speak for themselves. The Director  
 24 Defendants deny the remaining allegations in Paragraph 266.

25       267. The Director Defendants admit that SVBFG filed with the SEC Quarterly Reports  
 26 on Form 10-Q on November 5, 2020, May 10, 2021, August 6, 2021, November 8, 2021, May 6,  
 27 2022, August 8, 2022, and November 7, 2022, and Annual Reports on Form 10-K on March 1,

1 2021, March 1, 2022, and February 24, 2023, that contain the quoted language in Paragraph 267,  
 2 but deny any characterizations of the filings, which speak for themselves. The Director  
 3 Defendants deny the remaining allegations in Paragraph 267.

4       268. The Director Defendants admit that SVBFG filed Annual Reports on Form 10-K  
 5 with the SEC on February 28, 2020, March 1, 2021, March 1, 2022, and February 24, 2023, that  
 6 contain the quoted language in the first sentence of Paragraph 268, but deny any  
 7 characterizations of the filings, which speak for themselves. The Director Defendants admit that  
 8 SVBFG filed a Quarterly Report on Form 10-Q with the SEC on November 5, 2020, that  
 9 purports to incorporate the Risk Factors contained in SVBFG's February 28, 2020 FY 2019 Form  
 10 10-K, but deny any characterizations of the filings, which speak for themselves. The Director  
 11 Defendants admit that SVBFG filed Quarterly Reports on Form 10-Q with the SEC on May 10,  
 12 2021, August 6, 2021, and November 8, 2021, that purport to incorporate the Risk Factors  
 13 contained in SVBFG's March 1, 2021 FY 2020 Form 10-K, but deny any characterizations of the  
 14 filings, which speak for themselves. The Director Defendants admit that SVBFG filed Quarterly  
 15 Reports on Form 10-Q with the SEC on May 6, 2022, August 8, 2022, and November 7, 2022,  
 16 that purport to incorporate the Risk Factors contained in SVBFG's March 1, 2022 FY 2021 Form  
 17 10-K, but deny any characterizations of the filings, which speak for themselves. The Director  
 18 Defendants deny the remaining allegations in Paragraph 268.

19       269. The Director Defendants admit that SVBFG filed Annual Reports on Form 10-K  
 20 on March 1, 2021, March 1, 2022, and February 24, 2023, that contain the quoted language in  
 21 Paragraph 269, but deny any characterizations of the documents, which speak for themselves.  
 22 The Director Defendants deny the remaining allegations in Paragraph 269.

23       270. The Director Defendants deny the allegations in Paragraph 270 and the headers  
 24 therein.

25                   **2. Untrue Statements and Omissions About SVB's Liquidity Risk  
 26 Management**

27       The Director Defendants deny the allegations in Header IX.B.2.

1       271. The Director Defendants admit that SVBFG filed with the SEC Quarterly Reports  
2 on Form 10-Q on November 5, 2020, May 10, 2021, August 6, 2021, November 8, 2021, May 6,  
3 2022, August 8, 2022, and November 7, 2022, and Annual Reports on Form 10-K on March 1,  
4 2021, March 1, 2022, and February 24, 2023, that contain the quoted language in the first  
5 sentence of Paragraph 271, but deny any characterizations of the filings, which speak for  
6 themselves. The Director Defendants admit that SVBFG filed with the SEC Quarterly Reports  
7 on Form 10-Q on November 5, 2020, May 10, 2021, August 6, 2021, and November 8, 2021, and  
8 Annual Reports on Form 10-K on March 1, 2021, and March 1, 2022, that contain the quoted  
9 language in the second sentence of Paragraph 271, but deny any characterizations of the filings,  
10 which speak for themselves. The Director Defendants deny the remaining allegations in  
11 Paragraph 271.

12       272. The Director Defendants admit that SVBFG filed Quarterly Reports on Form 10-  
13 Q with the SEC on May 6, 2022, August 8, 2022, and November 7, 2022, and an Annual Report  
14 on Form 10-K on February 24, 2023, that contain the quoted language in Paragraph 272, but  
15 deny any characterizations of the filings, which speak for themselves. The Director Defendants  
16 deny the remaining allegations in Paragraph 272.

17       273. The Director Defendants admit that SVBFG filed a Form 8-K with the SEC on  
18 July 21, 2022, that contains the quoted language in Paragraph 273, but deny any  
19 characterizations of the filing, which speaks for itself. The Director Defendants deny the  
20 remaining allegations in Paragraph 273.

21       274. The Director Defendants admit that SVBFG filed a Form 8-K with the SEC on  
22 January 19, 2023, that contains the quoted language in Paragraph 274, but deny any  
23 characterizations of the filing, which speaks for itself. The Director Defendants deny the  
24 remaining allegations in Paragraph 274.

25       275. The Director Defendants deny the allegations in Paragraph 275 and the headers  
26 therein.

1                   **3.       Untrue Statements and Omissions About SVB's Interest Rate Risk**  
 2                   **Management**

3                   The Director Defendants deny the allegations in Header IX.B.3.

4                   276.    The Director Defendants admit that SVBFG filed with the SEC Quarterly Reports  
 5                   on Form 10-Q on November 5, 2020, May 10, 2021, August 6, 2021, November 8, 2021, May 6,  
 6                   2022, August 8, 2022, and November 7, 2022, and Annual Reports on Form 10-K on March 1,  
 7                   2021, March 1, 2022, and February 24, 2023, that contain the quoted language in Paragraph 276,  
 8                   but deny any characterizations of the filings, which speak for themselves. The Director  
 9                   Defendants deny the remaining allegations in Paragraph 276.

10                  277.    The Director Defendants admit that SVBFG filed with the SEC Quarterly Reports  
 11                  on Form 10-Q on May 10, 2021, August 6, 2021, November 8, 2021, May 6, 2022, August 8,  
 12                  2022, and November 7, 2022, and Annual Reports on Form 10-K on March 1, 2021 and March 1,  
 13                  2022, that contain the quoted language in Paragraph 277, but deny any characterizations of the  
 14                  filings, which speak for themselves. The Director Defendants admit that SVBFG filed an Annual  
 15                  Report on Form 10-K with the SEC on February 24, 2023, that contains the quoted language in  
 16                  the footnote cited in Paragraph 277, but deny any characterizations of the filing, which speaks  
 17                  for itself. The Director Defendants deny the remaining allegations in Paragraph 277 and the  
 18                  footnote cited therein.

19                  278.    The Director Defendants admit that SVBFG filed with the SEC Quarterly Reports  
 20                  on Form 10-Q on May 10, 2021, August 6, 2021, November 8, 2021, May 6, 2022, August 8,  
 21                  2022, and November 7, 2022, and Annual Reports on Form 10-K on March 1, 2021, March 1,  
 22                  2022, and February 24, 2023, that contain the information in the table in Paragraph 278, but deny  
 23                  any characterizations of the filings, which speak for themselves. The Director Defendants deny  
 24                  the remaining allegations in Paragraph 278.

25                  279.    The Director Defendants admit that SVBFG filed a Form 8-K with the SEC on  
 26                  July 22, 2021, that contains the quoted language in Paragraph 279, but deny any  
 27  
 28

1 characterizations of the filing, which speaks for itself. The Director Defendants deny the  
2 remaining allegations in Paragraph 279.

3       280. The Director Defendants admit that SVBFG filed an Annual Report on Form 10-  
4 K with the SEC on January 20, 2022, that contains the quoted language in Paragraph 280, but  
5 deny any characterizations of the filing, which speaks for itself. The Director Defendants deny  
6 the remaining allegations in Paragraph 280.

7       281. The Director Defendants admit that SVBFG filed a Form 8-K with the SEC on  
8 April 21, 2022, that contains the quoted language in Paragraph 281, but deny any  
9 characterizations of the filing, which speaks for itself. The Director Defendants deny the  
10 remaining allegations in Paragraph 281.

11       282. The Director Defendants admit that SVBFG filed a Quarterly Report on Form 10-  
12 Q with the SEC on May 6, 2022, that contains the quoted language in Paragraph 282, but deny  
13 any characterizations of the filing, which speaks for itself. The Director Defendants deny the  
14 remaining allegations in Paragraph 282.

15       283. The Director Defendants admit that SVBFG filed a Quarterly Report on Form 10-  
16 Q with the SEC on August 8, 2022, that contains the quoted language in Paragraph 283, but deny  
17 any characterizations of the filing, which speaks for itself. The Director Defendants deny the  
18 remaining allegations in Paragraph 283.

19       284. The Director Defendants deny the allegations in Paragraph 284 and the headers  
20 and footnote cited therein.

21                  **4. Untrue Statements and Omissions About SVB's Designation of  
22 Investment Securities as Held-to-Maturity**

23       The Director Defendants deny the allegations in Header IX.B.4.

24       285. The Director Defendants admit that SVBFG filed with the SEC Quarterly Reports  
25 on Form 10-Q on November 5, 2022, May 10, 2021, August 6, 2021, November 8, 2021, May 6,  
26 2022, August 8, 2022, and November 7, 2022, and Annual Reports on Form 10-K on March 1,  
27 2021, March 1, 2022, and February 24, 2023, that contain the information in the table in

1 Paragraph 285, but deny any characterizations of the filings, which speak for themselves. The  
2 Director Defendants deny the remaining allegations in Paragraph 285.

3 286. The Director Defendants admit that SVBFG filed a Quarterly Report on Form 10-  
4 Q with the SEC on April 22, 2021, that contains the quoted language in Paragraph 286, but deny  
5 any characterizations of the filing, which speaks for itself. The Director Defendants deny the  
6 remaining allegations in Paragraph 286.

7 287. The Director Defendants admit that SVBFG filed a Quarterly Report on Form 10-  
8 Q with the SEC on May 10, 2021, but deny any characterizations of the filing, which speaks for  
9 itself. The Director Defendants respectfully refer the Court to SVBFG's May 10, 2021 Form 10-  
10 Q for a description of SVBFG's designations of securities at the time of that filing and deny any  
11 inconsistent allegations in Paragraph 287. The Director Defendants deny the remaining  
12 allegations in Paragraph 287.

13 288. The Director Defendants admit that SVBFG filed with the SEC Quarterly Reports  
14 on Form 10-Q on May 10, 2021, August 6, 2021, and November 8, 2021, and Annual Reports on  
15 Form 10-K on March 1, 2022, and February 24, 2023, that contain the quoted language in  
16 Paragraph 288, but deny any characterizations of the filings, which speak for themselves. The  
17 Director Defendants deny the remaining allegations in Paragraph 288.

18 289. The Director Defendants admit that SVBFG filed a Quarterly Report on Form 10-  
19 Q with the SEC on August 6, 2021, but deny any characterizations of the filing, which speaks for  
20 itself. The Director Defendants respectfully refer the Court to SVBFG's August 6, 2021 Form  
21 10-Q for a description of SVBFG's designations of securities at the time of that filing and deny  
22 any inconsistent allegations in Paragraph 289. The Director Defendants deny the remaining  
23 allegations in Paragraph 289.

24 290. The Director Defendants admit that SVBFG filed a Quarterly Report on Form 10-  
25 Q with the SEC on November 8, 2021, and filed an Annual Report on Form 10-K with the SEC  
26 on March 1, 2022, but deny any characterizations of the filings, which speak for themselves.  
27 The Director Defendants respectfully refer the Court to SVBFG's November 8, 2021 Form 10-Q  
28

1 and March 1, 2022 Form 10-K for a description of SVBFG's designations of securities at the  
 2 time of those filings and deny any inconsistent allegations in Paragraph 290. The Director  
 3 Defendants deny the remaining allegations in Paragraph 290.

4 291. The Director Defendants deny the allegations in Paragraph 291 and the footnote  
 5 cited therein.

6 **X. CLAIMS FOR RELIEF UNDER THE SECURITIES ACT**

7 Header X. contains Plaintiffs' characterizations of the Complaint and contains no factual  
 8 allegations for which an answer is required.

9 **COUNT III**

10 **For Violation of §11 of the Securities Act  
 11 Against All Defendants**

12 The Director Defendants deny the allegations in the header found at page 118, lines 2  
 13 through 4.

14 292. The Director Defendants repeat and re-allege each and every response to the  
 15 allegations in Paragraphs 13–34, 36–59, and 251–291 as if fully set forth herein.

16 293. The Director Defendants admit that Plaintiffs purport to assert a claim under  
 17 Section 11 of the Securities Act of 1933 against the Defendants. The Director Defendants deny  
 18 the remaining allegations in Paragraph 293.

19 294. To the extent the allegations in Paragraph 294 consist of legal conclusions, no  
 20 answer is required. The Director Defendants lack knowledge or information sufficient to form a  
 21 belief as to the truth or falsity of the allegations in Paragraph 294, which describe Plaintiffs'  
 22 beliefs about the Complaint, and on that basis deny them. The Director Defendants deny the  
 23 remaining allegations in Paragraph 294.

24 295. The Director Defendants deny the allegations in Paragraph 295.

25 296. The Director Defendants deny the allegations in Paragraph 296.

26 297. To the extent the allegations in Paragraph 297 consist of legal conclusions, no  
 27 answer is required. To the extent an answer is required, the Director Defendants admit that Mr.  
 28

1 Becker, Mr. Beck, and Ms. Hon signed the November 15, 2019 Registration Statement. The  
 2 Director Defendants admit that Mr. Benhamou, Mr. Clendening, Mr. Dunbar, Mr. Friedman, Mr.  
 3 Maggioncalda, Ms. Matthews, Ms. Miller, Ms. Mitchell, and Mr. Staglin signed a Power of  
 4 Attorney dated November 15, 2019, through which they appointed Mr. Becker and Mr. Beck as  
 5 their attorneys-in-fact to sign the November 15, 2019 Registration Statement. The Director  
 6 Defendants deny the remaining allegations in Paragraph 297.

7       298. To the extent Paragraph 298 purports to incorporate the allegations set forth in  
 8 Paragraphs 52–53 and 255–262, the Director Defendants incorporate their responses to  
 9 Paragraphs 52–53 and 255–262 herein. To the extent the allegations in Paragraph 298 are  
 10 directed at parties other than the Director Defendants, and no answer is required. To the extent  
 11 an answer is required, the Director Defendants deny the allegations in Paragraph 298.

12       299. To the extent Paragraph 299 purports to incorporate the allegations set forth in  
 13 Paragraphs 20–29, the Director Defendants incorporate their responses to Paragraphs 20–29  
 14 herein. To the extent the allegations in Paragraph 299 consist of legal conclusions, no answer is  
 15 required. To the extent an answer is required, the Director Defendants lack knowledge or  
 16 information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph  
 17 299, and on that basis deny them.

18       300. The Director Defendants deny the allegations in Paragraph 300.

19       301. To the extent Paragraph 301 purports to incorporate the allegations set forth in  
 20 Paragraphs 20–29, the Director Defendants incorporate their responses to Paragraphs 20–29  
 21 herein. To the extent the allegations in Paragraph 301 consist of legal conclusions, no answer is  
 22 required. To the extent an answer is required, the Director Defendants deny the allegations in  
 23 Paragraph 301.

24       302. The Director Defendants lack knowledge or information sufficient to form a belief  
 25 as to the truth or falsity of the allegations in Paragraph 302, and on that basis deny them.

26       303. The Director Defendants deny the allegations in Paragraph 303.

## COUNT IV

## **For Violation of §15 of the Securities Act Against the Individual Defendants**

The Director Defendants deny the allegations in the header found at page 120, lines 4 through 6.

304. The Director Defendants repeat and re-allege each and every response to the allegations in Paragraphs 13–34, 36–59, and 251–303 as if fully set forth herein.

305. The Director Defendants admit that Plaintiffs purport to assert a claim under Section 15 of the Securities Act of 1933 against the Individual Defendants. The Director Defendants deny the remaining allegations in Paragraph 305.

306. To the extent the allegations in Paragraph 306 consist of legal conclusions, no answer is required. The Director Defendants lack knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph 306, which describe Plaintiffs' beliefs about the Complaint, and on that basis deny them. The Director Defendants deny the remaining allegations in Paragraph 306.

307. The Director Defendants deny the allegations in Paragraph 307.

308. The Director Defendants deny the allegations in Paragraph 308.

309. The Director Defendants deny the allegations in Paragraph 309.

310. The Director Defendants deny the allegations in Paragraph 310.

311. The Director Defendants deny the allegations in Paragraph 311.

## **PRAYER FOR RELIEF**

The Director Defendants deny each and every allegation not specifically admitted above and deny that Plaintiffs are entitled to the relief requested.

## AFFIRMATIVE DEFENSES

In further response to the Complaint and each claim asserted in this action, and without assuming the burden of proof, persuasion, or production as to any issue where such burden is not legally assigned to them, the Director Defendants assert the following affirmative and other

1 defenses. By asserting such defenses, the Director Defendants do not in any way waive or limit  
 2 any defenses raised by the denials, allegations, and averments set forth elsewhere in this Answer.  
 3 The Director Defendants expressly reserve the right to amend and/or supplement these defenses  
 4 and assert any other defense as to which discovery, investigation, or further developments may  
 5 establish a basis.

6 **FIRST DEFENSE**

7 **(Standing)**

8 Plaintiffs' claims are barred, in whole or in part, because Plaintiffs lack standing to assert  
 9 them to the extent they did not purchase SVBFG stock in or traceable to the offering documents  
 10 associated with the offerings challenged in the Complaint.

11 **SECOND DEFENSE**

12 **(Truth on the Market)**

13 The Director Defendants are not liable to Plaintiffs because the substance of the allegedly  
 14 omitted or misrepresented material information was disclosed in the Registration Statement,  
 15 SVBFG's public filings and announcements, and/or in other sources that were publicly available  
 16 or widely known to the market, the investing community, and Plaintiffs.

17 **THIRD DEFENSE**

18 **(Due Diligence)**

19 The Director Defendants had, after reasonable investigation, reasonable grounds to  
 20 believe and did believe, at the time the offering documents for the securities offerings challenged  
 21 in the Complaint became effective, that the statements therein were true and that there was no  
 22 omission of any required material fact necessary to make the statements not misleading.

23 **FOURTH DEFENSE**

24 **(Knowledge)**

25 Plaintiffs' claims of alleged misrepresentations and omissions, which are denied, are  
 26 barred to the extent any allegedly misstated facts or omissions were known to Plaintiffs.

**FIFTH DEFENSE****(Reasonable Reliance on Experts)**

With respect to portions of the Registration Statement purporting to be made on the authority of experts, the Director Defendants had no reasonable ground to believe and did not believe, at the time such part of the Registration Statement became effective, that the statements therein were untrue or that there was an omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

**SIXTH DEFENSE****(Reliance on Advice)**

Defendants were entitled to act, and in fact acted, in good faith reliance upon the advice of professionals and experts.

**SEVENTH DEFENSE****(Good Faith)**

Plaintiffs' claims are barred, in whole or in part, because at all relevant times the Director Defendants acted in good faith, including by acting in conformity with the law and rules and regulations of the U.S. Securities and Exchange Commission.

**EIGHTH DEFENSE****(No Control Person Liability)**

Each and every one of the Director Defendants alleged to be a control person under Section 15(a) of the Securities Act of 1933 or Section 20(a) of the Securities Exchange Act of 1934 had no knowledge of, and had no reasonable grounds to believe in the existence of, the facts by reason of which liability of the control person is alleged to exist.

**NINTH DEFENSE****(No Primary Violation)**

Plaintiffs' claims are barred in whole or in part under Section 15(a) of the Securities Act of 1933 because these claims impose derivative liability on persons who control those liable under Section 11, and there was no underlying violation of Section 11 here. Plaintiffs' claims

1 are barred in whole or in part under Section 20(a) of the Securities Exchange Act of 1934  
2 because these claims impose derivative liability on persons who control those liable under  
3 Section 10(b), and there was no underlying violation of Section 10(b) here.

## **TENTH DEFENSE**

#### **(Statutory Damages Limitation)**

6 Any recovery for damages allegedly incurred by Plaintiffs is barred, in whole or in part,  
7 by the damages limitations of the Securities Act of 1933 and Private Securities Litigation Reform  
8 Act.

## **ELEVENTH DEFENSE**

### (Negative Causation)

Plaintiffs' claims are barred in whole or in part because none of the alleged misrepresentations or misleading statements or omissions alleged by Plaintiffs caused, or was a substantial factor in, any increase or decrease in the market value of SVBFG's securities allegedly owned by Plaintiffs.

## TWELFTH DEFENSE

#### **(Superseding or Intervening Events)**

Plaintiffs' claims are barred, in whole or in part, because superseding or intervening events caused some or all of the alleged damages.

## **THIRTEENTH DEFENSE**

## **(Failure to State a Claim)**

21 The Complaint fails to state a claim upon which relief can be granted as to any of the  
22 Director Defendants.

## **FOURTEENTH DEFENSE**

**(No Fees, Costs or Expenses)**

25 Plaintiffs are not entitled to recover attorneys' fees, expert fees, or other costs and  
26 disbursements.

## **FIFTEENTH DEFENSE**

**(Reasonable Care)**

If any alleged misstatements or omissions were made (which the Director Defendants deny), the Plaintiffs' claims are barred as Plaintiffs failed to exercise reasonable care to discover the facts related to these alleged misstatements/omissions.

**SIXTEENTH DEFENSE****(Statutes of Limitation and Repose)**

Plaintiffs' claims are barred, in whole or in part, by the statute of limitations and/or repose.

**SEVENTEENTH DEFENSE****(Assumption of Risk)**

Plaintiffs' claims are barred, in whole or in part, because Plaintiffs had actual or constructive knowledge of the risks involved and thus assumed the risk that the value of SVBFG stock would decline if such risks materialized.

**EIGHTEENTH DEFENSE****(Resignation)**

Plaintiffs' claims are barred, in whole or in part, because Mr. Robinson resigned from SVBFG's board of directors before the May 2021 offerings, October 2021 offerings, and April 2022 offerings. Plaintiffs' claims are barred, in whole or in part, because Mr. Dunbar resigned from SVBFG's board of directors before the April 2022 offerings.

**NINETEENTH DEFENSE****(Equitable Claims Barred)**

Plaintiffs' claims are barred in whole or in part by the equitable doctrines of laches, estoppel, unclean hands, and/or waiver.

**TWENTIETH DEFENSE****(Adequate Remedy at Law)**

Without conceding liability, Plaintiffs' requests for equitable relief are improper because Plaintiff have an adequate remedy at law.

**TWENTY-FIRST DEFENSE****(Contribution)**

Without conceding liability, the Director Defendants are entitled to recover contribution from others for any liability the Director Defendants incur as a result of any material misrepresentations or omissions, or conduct, alleged in the Complaint.

**TWENTY-SECOND DEFENSE****(Incorporation by Reference)**

The Director Defendants hereby adopt and incorporate by reference any and all other defenses asserted or to be asserted by any of the other defendants to the extent the Director Defendants may share in such a defense.

**PRAYER**

WHEREFORE, the Director Defendants respectfully pray for judgment as follows:

1. That judgment be entered against Plaintiffs and in favor of the Director Defendants, and each of them, on all claims asserted in this action;
2. That Plaintiffs' Prayer for Relief be denied;
3. That the claims of the Complaint be dismissed with prejudice;
4. That Plaintiffs take nothing by reason of the claims asserted in this action;
5. For costs of suit herein; and
6. For such other and further relief as the Court may deem just and proper.

**JURY DEMAND**

The Director Defendants demand a trial by jury on all issues triable by a jury.

1 Dated: August 18, 2025

Respectfully Submitted,

2 /s/ Jessica L. Lewis

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